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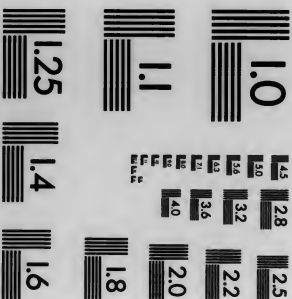
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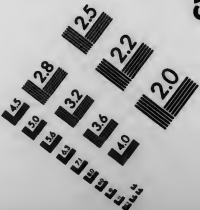
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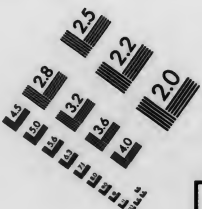
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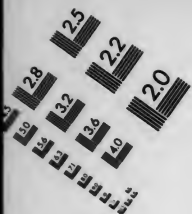
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MIMEOGRAPHED REPORT AND FINDINGS OF
THE PANEL IN CERTAIN DISPUTES INVOLVING
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January 19, 1945

The Honorable William H. Davis
Chairman, National War Labor Board
Washington, D. C.

Dear Mr. Davis:

The special Panel appointed by the National War Labor Board on May 31, 1944, pursuant to its resolution of May 18, 1944, to hear certain dispute cases involving unions representing foremen and other supervisory employees, herewith transmits its report and findings to the Board.

Respectfully yours,

/s/ Sumner H. Slichter

/s/ Robert D. Calkins

/s/ William H. Spohn

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PART ONE
INTRODUCTION

REPORT AND FINDINGS OF THE PANEL IN CERTAIN DISPUTES INVOLVING FOREMEN

I. INTRODUCTION.

This report is submitted by the special Panel appointed by the National War Labor Board on May 31, 1944, pursuant to its Resolution of May 18, 1944, a copy of which follows:

WHEREAS, the Secretary of Labor has certified to the National War Labor Board for appropriate action the following dispute cases involving unions representing foremen and other supervisory employees.

Murray Corporation of America (Case No. 111-2882-D)
Briggs Manufacturing Company (Case No. 111-4746-D)
Chrysler Corporation (Case No. 111-4747-D)
Republic Steel Corporation (Case No. 111-4748-D)
Maryland Drydock Company (Case No. 111-5190-D)
Packard Motor Car Company (Case No. 111-5436-D)
Bohn Aluminum and Brass Corporation (Case No. 111-5799-D)
Baldwin Locomotive Works (Case No. 111-6801-D)

BE IT RESOLVED:

1. That, in accordance with the opinion of its General Counsel that the foregoing disputes are disputes between employees and their employers within the meaning of the War Labor Disputes Act, the Board has jurisdiction to consider and to determine, pursuant to the provisions of the War Labor Disputes Act and Executive Order No. 9017, the foregoing disputes, exclusive of issues concerning bargaining rights and alleged discriminatory discharges under the National Labor Relations Act;

2. That, in view of the difficult questions of policy involved in determining in what manner the Board should exercise its jurisdiction, and because the records in the foregoing cases do not contain sufficient facts upon which to decide such policy questions, the Board will appoint a panel to hear the representatives of the companies and of the foremen's organizations involved in the foregoing cases, to conduct such supplementary inquiries or investigations as the panel may deem desirable, and to make a factual report to the Board on the following matters with respect to each of the foregoing cases:

- (a) The nature and gravity of any unresolved grievances of the foremen,
- (b) The present or potential procedures available for the settlement of these differences without the necessity of further governmental action;
- (c) The history and effects of any collective relationships between the foremen's organizations and the companies;
- (d) The nature and composition of the foremen's organizations in each of the plants involved, and the duties performed by the various types of supervisory employees within each plant, and
- (e) Any other facts which the Panel might find to be of importance

to the Board in determining what action it should take in the foregoing cases.

Representing the Public:

William H. Davis, Chairman Lloyd K. Garrison
George W. Taylor, Vice Chairman Edwin E. Witte

Representing Labor:

Robert J. Watt Carl J. Shipley Vincent P. Ahearn Frederick S. Fales
James A. Brownlow John Brophy Clarence O. Skinner J. Holmes Davis

Representing Industry:

The foregoing resolution was amended on June 15, 1944, to include five additional cases:

Aeronautical Products Company (Case No. 111-8487-D)
Federal Shipbuilding and Dry Dock Company (Case No. 111-8243-D)
Gar Wood Industries, Incorporated (Case No. 111-8486-D)
Hudson Motor Car Company (Case No. 111-8514-D)
New York Shipbuilding Company (Case No. 111-8587-D)

The Panel consisted of Professor Sumner H. Slichter, Chairman, Dean Robert Callens and William H. Spohn. Pursuant to the resolution of May 18, 1944, of the Board, the Panel convened for hearings in Detroit on June 14, 1944. Hearings continued intermittently until August 4, 1944. ^{1/} Subsequent hearings were held by one or more members of the Panel as follows: New York City, August 7 and 8, Federal Shipbuilding and Dry Dock Company; New York City, August 28, New York Shipbuilding Corporation; Philadelphia, August 9 and 18, Baldwin Locomotive Works; Washington, August 14 and 15, Maryland Drydock Company; Detroit, August 18, Republic Steel Corporation. Final arguments were held in Detroit on October 3 and 4, 1944, and in New York for the Republic Steel Corporation, Federal Shipbuilding Corporation and Baldwin Locomotive Works on October 10, 1944.

Appearances in these cases were made as follows:

Messrs. Rathbone, Perry, Kelley and Drye,
By Nicholas Kelley, Esq. and Theodore R. Iserman,
70 Broadway, New York City, and Mr. Robert W
Conder (Director Labor Relations), Detroit,
Appearing for Chrysler Corporation

Messrs. Bodman, Longley, Bogle, Middleton & Armstrong,
By L. F. Dahling, Esq., 1400 Ruhl Bldg., Detroit,
Appearing for Packard Motor Car Company.

^{1/} Hearings were held in Detroit for the following cases:
Chrysler Corporation, Briggs Manufacturing Company, Murray Corporation,
Packard Motor Car Company, Bohn Aluminum and Brass Corporation, Aero-
nautical Products Corporation, Gar Wood Industries, Hudson Motor Car
Company, on the following dates: June 14-16, 19-21, 26-28, July 10-12,
17-19, 31, Aug. 4.

Messrs. Butzel, Eaman, Long, Gust & Bills
By Victor W. Klein, Esq., National Bank Bldg., Detroit
Appearing for Murray Body Corporation and
Bohn Aluminum and Brass Corporation

Messrs. Beaumont, Smith and Harris,
By Albert Meder, Esq., and Percy J. Donovan, Esq.
Ford Building, Detroit
Appearing for Briggs Manufacturing Company and
Hudson Motor Car Company, Aeronautical Products
Company and Gar Wood Industries; and
Milton W. Kleckner, Esq.,
1720 Dime Bank Bldg., Detroit
Also appearing for Gar Wood Industries

Frederick H. Knight, Esq. Miles W. Kirkpatrick, Esq., and
W. H. Holcomb
Appearing for The Baldwin Locomotive Works

B. L. Rawlins, Esq. and J. H. Love, Esq.
Appearing for Federal Shipbuilding and Drydock Company

William D. Macmillan, Esq., Counsel
Appearing for the Maryland Drydock
David Ruml, Esq., Assistant to the President
Appearing for the Maryland Drydock
R. Douglas Dauterich, Esq., Industrial Relations Representative
Appearing for the Maryland Drydock

Colonel Kenneth Gardner and B. G. Parker Esq.
Appearing for the New York Shipbuilding Corporation

T. F. Patton, Esq.
Appearing for Republic Steel Corporation

Louis H. Wilderman, Esq.
Appearing for The International Association of
Machinists, Lodge 91, A.F.L.

Mr. Robert H. Keys,
515 Barlum Tower, Detroit, Michigan
Appearing for Foreman's Association of America

Walter Nelson, Esq.
1438 Dime Building, Detroit, Michigan
Appearing for Foreman's Association of America

M. H. Goldstein, Esq.
Appearing for the Leadingmen's Organizing Committee in
the Federal Shipbuilding and Drydock Company, for the
sub-foremen's group in the New York Shipbuilding Cor-
poration, and the Negotiating Committee of Supervisory
Employees in the Maryland Drydock Company

All of the employers at different times in the hearings entered objections to the jurisdiction of the National War Labor Board and of the Panel. The Panel has considered that objections to its jurisdiction, its right and power to take testimony in regard to grievances, and exceptions to the proofs should be addressed to the National War Labor Board. Hence the Panel has been free to accord any exception or reservation presented by any person to the record, and it has repeatedly announced that acquiescence in the rulings of the Panel on the presentation of evidence would not operate to the prejudice of any witness or any party to the proceeding. Each employer, while denying the jurisdiction of the Panel to proceed, has presented its case. Under the general statements or rulings made through the proceeding, the Panel advised that it is interested in learning the facts, without prejudice to the party which produced them.

Nothing in this report ought to be considered as a denial of the right of any party to the proceeding to question the jurisdiction either of the Panel or the National War Labor Board, or that such party has waived any right it may possess in that respect.

The disputes referred to the Panel do not in all cases pertain to all plants of the employer. The disputes concern various classes of foremen and supervisory employees, hereinafter referred to interchangeably as foremen and supervisors. The plants involved in these disputes, the several classes of supervisors employees involved, and the approximate number of supervisors in each rank, as developed in the record, and the number certified to the War Labor Board are set forth in the following table:

COMPANY, PLANTS, CLASSIFICATION, NUMBER OF EMPLOYEES, NO. CERTIFIED AND INVOLVED a/

COMPANY	PLANT	CLASSIFICATION	APPROXIMATE NO. OF EMPLOYEES INVOLVED	NO. CERTIFIED
Aeronautical Products	-	Foreman	25 <u>b/</u>	40
Baldwin	Eddystone	Superintendent	11 <u>c/</u>	300
		Ass't Superin- tendent	4	
		Ass't to Superintendent	1	
		General Foremen	18	
		Ass't General Foremen	8	
		Foremen	77	
		Ass't Foremen	430	
		Supervisors of Police	9	
		Supervisors of Fire Department	2	
		Miscellaneous	134	
Bohn Aluminum and Brass Company	Aarian	Foremen	45 <u>d/</u>	45
Briggs Mfg.	Mack, Outer Drive Milwaukee, and Vernon	General Foremen	111 <u>e/</u>	713
		Foremen	717	
Chrysler	DeSoto- Wyoming	General Foremen	31 <u>f/</u>	200
		Foremen	179	
Federal Shipbuild- ing & Drydock	Kearney and Newark	Working Leaders Leading men	2185 <u>g/</u>	2000
Gar Wood Indus- tries, Inc.	-	General Foremen	10 <u>h/</u>	130
		Foremen	111	130
Hudson Motor	Main Plant	General Foremen	110 <u>i/</u>	600
		Ass't Gen. Foremen	9	
	Axle plant, and Gratiot	Foremen	316	
		Ass't. Foremen	100	
Maryland Drydock	-	Temporary Sup'r Working Leaders Leaders	140 <u>j/</u> 537 119	850
array Corporation	Ecorse and Main	Dept. Supervisors Shift " Section "	112 <u>k/</u> 52 436	450

COMPANY, PLANTS, CLASSIFICATION OF EMPLOYEES, CERTIFIED AND INVOLVED a/

COMPANY	PLANT	CLASSIFICATION	APPROXIMATE NO. OF EMPLOYEES INVOLVED	No. CERTIFIED
New York Shipbuilding	-	Subforemen	692 <u>1/</u>	650
Packard	Detroit	Gen. Foremen	132 <u>in/</u>	750
		Foremen	597	
		Ass't Foremen	84	
		Special Assignment men	59	
Republic Steel Corporation	98" Strip Mill	General Foremen	2 <u>n/</u>	70
		Foremen	7	
		Turn Foremen	50	
		Asst. Foremen	1	
		Loader Foremen	12	
		Warehouse Foremen	2	
		Turn Roller	-	

- a/ It has not been possible to determine the number of supervisory employees actually involved in many cases. The figures shown will be qualified as to their meaning in the accompanying footnotes.
- b// Total number of foremen - p. 255, - Company Testimony indicates 24 foremen on payroll, p. 3306.
- c/ Total employment, Company, Exhibit No. 23. Union withdrew its claim to superintendents during the course of the hearings. (N.Y. Rec. Oct. 10 Pg. 158)
- d/ The figure shown is number certified. At the time of the strike there were 28 members in the Association. At time of the hearing the F.A.A. did not have any members in the plant, (p. 848)
- e/ Company Exhibit No. 1 (Record p. 2049)
- f/ Company Exhibit No. 5.
- g/ Statement on behalf of Leadingmen's Organizing Committee p. 4.
- h/ Company Exhibit No. 1.
- i/ Detroit Record p. 455. Witness for F.A.A. claims 658 members but this figure includes supervisor's and expeditors.
- j/ Information supplied in response to Panel's request during course of hearing.
- k/ Company Exhibit No. 20.
- l/ Brief on behalf of Sub-Foremen, p. 1.
- m/ Company Exhibit No. 24.
- n/ Information supplied by Company after hearing.

In the following disputes the supervisory employees are represented by the Foreman's Association of America:

Aeronautical Products
Bohn Aluminum and Brass Company
Briggs Manufacturing Company
Chrysler Corporation
Gar Wood Industries, Inc.
Hudson Motor Car Company
Murray Corporation
Packard Motor Car Company
Republic Steel Corporation

In the Baldwin Locomotive Works supervisory employees involved are represented by Lodge 91 of the International Association of Machinists, A.F.L.

In the Federal Shipbuilding and Drydock Company, the supervisory employees appear as the Leading Men's Organizing Committee; in the Maryland Dry Dock Company, they appear as a group of employees formerly represented by Local 31 of the Industrial Union of Marine and Shipbuilding Workers of America, C.I.O., and represented in these proceedings by a negotiating Committee of Seven; and in the New York Shipbuilding Corporation, they appear as a group of sub-foremen having membership in Local I of the Industrial Union of Marine and Shipbuilding Workers of America.

II. THE BACKGROUND OF THESE DISPUTES.

The Foreman's Association of America grew out of an organization of foremen in the Ford Motor Company in August, 1941. The history of the Association is described later in this Report. The foremen in the following companies organized during 1942-44 and received charters from the Foreman's Association of America on the dates indicated: Briggs (February 16, 1942), Chrysler (September 22, 1942), Packard (October 13, 1942), Hudson (November 17, 1942), Gar Wood (November 24, 1942), Murray (May 2, 1943), Republic Steel (July 1, 1943), Bohn Aluminum (December 13, 1943), Aeronautical Products (May 12, 1944).

Upon the organization of these chapters the Foreman's Association of America made various demands upon the companies for meetings to discuss matters with the Association as a representative of the foremen. The history of these demands are reviewed in the findings respecting the individual companies. Generally speaking, however, the requests were refused. The Murray Corporation was served with a letter of complaint setting forth 15 grievances on August 13, 1943. A more or less similar letter was sent to Briggs, Chrysler, Packard, Hudson, Gar Wood, and Republic Steel on August 30, 1943. The letter to Briggs is typical of those sent to other companies. It reads:

August 30, 1943

Mr. William P. Brown, President
Briggs Manufacturing Company
11631 Mack Avenue
Detroit, Michigan

Dear Sir:

This letter will inform you of the grievances of your supervisory employees. A copy of this letter is being sent to the United States Conciliation Service of the Department of Labor and the National War Labor Board.

We will appreciate receiving an answer from you within the next ten days stating the time and place that representatives of the Briggs Manufacturing Company will meet with the elected representatives of Local Chapter #2, Foreman's Association of America, to discuss these problems.

A vast majority of the supervisory staff at the Detroit plants of the Briggs Manufacturing Company are members of Local Chapter #2, Foreman's Association of America, and they have requested that we submit the following grievances to you:

1. Refusal of the Company to recognize Local Chapter #2, Foreman's Association of America, as the exclusive bargaining agent for its supervisors. (We are demanding that the Company recognize Local Chapter #2, Foreman's Association of America, as the exclusive bargaining agent for its supervisory staff.)

2. Refusal of the Company to reinstate Mr. John W. Towsley. Mr. Towsley was discharged without adequate cause and treated unreasonably. (We are demanding that Mr. Towsley be reinstated and paid for all time lost up to the date of his reinstatement.)

3. Refusal of the Company to recognize seniority rights. (We are demanding that the Company recognize a negotiated seniority plan.)

4. Refusal of the Company to make definite sick leave provisions. (We are demanding that the present system which places supervisors at the mercy of the employer be abolished since favoritism and injustices have resulted, and that a clear and explicit procedure be adopted.)

5. Refusal of the Company to make temporary adjustments in rates of pay for supervisors when they are employed at higher pay classifications during vacations, illnesses and other absences of higher paid employees whom they replace. (We are demanding that the Company make these adjustments in rates of pay.)

6. Refusal of the Company to permit the Foreman's Association of America a voice in the demotion, promotion or transfer of our members. (We are demanding that such demotion, promotion or transfer be subject to negotiation when such company action is deemed unreasonable by the members of Chapter #2, Foreman's Association of America.)

7. Refusal of the Company to negotiate with representatives of the Foreman's Association of America when adopting a company policy which is adverse to the best interests of the supervisory staff. (We are demanding that any policy which may be adverse to the welfare of the supervisory staff be subject to negotiation before being put into effect.)

8. Refusal of the Company to negotiate and rectify all instances of rate of pay inequalities. (We are demanding that the Company meet with representatives of the Foreman's Association of America and correct these instances of rate of pay inequalities.)

9. Refusal of the Company to properly classify supervisory employees. (We are demanding that our members be properly classified as to supervisory rank and duties.)

10. Refusal of the Company to negotiate with representatives of the Foreman's Association of America the number of people and amount of territory each of our members must supervise. (We are demanding that the Company cease forcing their supervisors to accept too much responsibility.)

11. Refusal of the Company to pay a bonus for night shift work. (We are demanding that the Company pay atten per cent (10 %) bonus to all supervisors when employed on any shift which starts between twelve o'clock noon and four A.M.)

We trust you will give this matter your immediate attention and consideration and that we will receive a reply within the next ten days.

Very truly yours,

/Sgd/ Mike Quatro
Mike Quatro
President, Chapter #2

APPROVED:

Robert H. Keys

Robert H. Keys, National President

CC to U. S. Conciliation Service

National War Labor Board

F. H. Taylor, Briggs Mfg. Co.

Wmc/lk

Many of these demands were made later upon Bohn Aluminum and Aeronautical Products.

The issues set out in these letters together with other grievances concerning promotions, demotions, and discharges constituted the complaints which led to a series of strikes by supervisory employees between October, 1943, and May, 1944.

In Republic Steel the foremen walked out on an unauthorized strike October 8, 1943, when the Company appointed a man from another plant as foreman in the strip mill. A strike occurred in Bohn Aluminum over discharges, December 21, 1943 to January 4, 1944.

Strike notices under the War Labor Disputes Act were filed against Chrysler (October 5, 1943), Briggs (October 7, 1943) and Republic Steel, (October 14, 1943). All were withdrawn within thirty days.

During January 13-21, 1944 the foremen of Chrysler were on strike, allegedly over the demotion of a foreman. A series of strikes of supervisors occurred in other Detroit companies more or less simultaneously in May. Strikes began in Briggs April 27, 1944, and soon many supervisors in the following Companies were on strike: Hudson, May 1st; Packard, May 3rd; Murray, May 5th; Gar Wood and Aeronautical Products, May 9th. Through the efforts of the War Labor Board these strikes were

all terminated May 17, 1944. On May 18th the Board passed its resolution establishing this Panel to hear the cases.

In the Baldwin Locomotive Works a different union is involved. There the supervisory employees organized in late 1943. They were chartered as Lodge 91 of the International Association of Machinists, (A.F.L.). The request of the union for negotiation being refused, the union sought recognition from the National Labor Relations Board and the petition was dismissed. The negotiation of a proposed contract was denied by the Company. A strike vote was taken on May 20, 1944 under the War Labor Disputes Act, but no strike has occurred. The union's complaints concern negotiation of an agreement, wage inequalities, bonus for night shifts, overtime pay, discharges, transfers, promotions, seniority, and grievance procedure.

The three shipyard cases involve various classes of sub-foremen and working leaders. Many of them are members of the Industrial Union of Marine and Shipbuilding Workers of America (C.I.O.), which also represents production and maintenance employees. In the New York Shipbuilding Corporation the sub-foremen, having been denied bargaining rights by the National Labor Relations Board, sought to obtain by negotiation arbitration as a final step in the handling of grievances, pay adjustments, seniority, and vacation pay. The company refused the demands. Following a work stoppage on October 5, 1943, the parties submitted a wage and classification dispute to the Shipbuilding Commission, which has recently handed down a decision. (Case No. 111-4873-D, Nov. 11, 1944). The other issues were certified to the Board June 1, 1944 and referred to this Panel.

The temporary supervisors and working leaders of the Maryland Drydock Company, having been denied bargaining rights in the Maryland Drydock Decision of the National Labor Relations Board, on May 11, 1943, made demands upon the Company in November, 1943. Rejection of these demands by the Company led to a strike November 26 to December 1, 1943, and the case was certified to the Board January 4, 1944. The issues concern rates of pay, classification of temporary employees, vacations, sick leave, recognition, and grievance procedure terminating in arbitration.

The Federal Shipbuilding and Drydock Company case concerns the leading men who, after the union was denied bargaining rights, organized themselves in December, 1943, into a so-called Leadingmen's Organizing Committee (New York Record, August 7, p.11) to press their demands. The Company has refused to grant the demands of the Committee, as it refused to grant the earlier demands of the Union in behalf of the leadingmen. The demands generally concern a grievance procedure terminating in arbitration, wages, hours, tenure, vacations, and sick leave. They are set forth in a proposed contract submitted to the Company June 26, 1944.

III. THE GENERAL NATURE OF THE ACTION REQUESTED BY THE SUPERVISORS

The Action requested by the supervisors before the Panel differs as between the different groups of supervisors. The disputes certified to the War Labor Board in all cases involved questions of recognition and collective bargaining. The resolution of the Board appointing the Panel excludes issues of bargaining rights. In consequence the parties have sought different forms of relief.

The Foreman's Association of America "insists that the Panel should at once recommend that the Board immediately enter an order for the prompt installation of adequate machinery for hearing and determining foremen's grievances." (F.A.A. Statement of Position, 1) It continues:

"As a concrete suggestion, we urge that the recommendation by the Panel to the Board include the minimum of a joint Committee on Grievances in each plant of each employer, consisting of not less than three (3) representatives of the employer, and three (3) representatives of the foremen, together with the appropriate building and department chairmen and committees." (F.A.A. Statement of Position, 14).

In the Baldwin case the Union asks that the Company be ordered to negotiate with the supervisors, through the union as their representative, and reach an agreement which should be reduced to writing and signed by the parties. (Baldwin Rec. 149) This action, it argues, is within the jurisdiction of the Board, since the Union does not here ask for recognition as the sole bargaining agent. (Baldwin Rec. 150, 311) If under such an order the parties are unable to agree, it then contemplates that the Regional Board would determine the questions remaining in dispute (Baldwin Rec. 309)

In the three shipyard cases involving groups of supervisors having membership in the Industrial Union of Marine and Shipbuilding Workers of America, the groups request the establishment of certain working conditions, rates of pay and the establishment of a grievance procedure terminating in arbitration. It frankly admits that its ultimate goal is recognition and collective bargaining, but it does not press that demand here in view of the limitations imposed on the Panel by the Board's resolution of May 18, 1944. Certain of the issues originally in the New York Shipbuilding Corporation case were submitted with the consent of both parties to the Shipbuilding Commission and have since been decided by the Commission. (Case No. 111-4873-D, Nov. 11, 1944) These issues, therefore, are not before the present Panel.

PART TWO

THE SUPERVISORS INVOLVED IN THESE DISPUTES -
THEIR DUTIES AND AUTHORITY, THEIR ORGANIZATIONS,
AND THE GRIEVANCE PROCEDURE AVAILABLE TO THEM

IV. THE DUTIES AND AUTHORITY OF THE SUPERVISORS INVOLVED IN THESE CASES

The supervisors involved in the cases before the Panel have different titles, different duties, and different degrees of authority. The titles of the various classes of supervisors are listed in the first section of this report. For reasons of convenience, as previously noted, the terms "foreman" and "supervisor" will be used interchangeably in this report to cover all classes of foremen and supervisors involved in the cases before the Panel.

The duties and authority of the supervisors in these cases have the following common characteristics:

1. All of the men involved in these cases are in the main or entirely supervisors of other men--that is, they do little or no mechanical work themselves, but instead spend all, or nearly all, of their time seeing that other men properly do their work.
2. All grades of supervision in these cases have the duty of recommending promotion, transfer, lay-off or discipline of rank and file employees. As a general rule, the supervisors do not have final authority to promote, transfer, lay-off, or to discipline rank and file employees. However, the recommendations of the supervisors in these matters carry great weight. The recommendations of the supervisors of some companies appear to be equivalent to a final decision, unless the union of rank and file employees appeals the case. There are, however, substantial differences in the weight carried by recommendations of different grades of supervisors before the Panel.
3. All of the supervisors in these cases are executors of the plans, policies, and production schedules made by higher management. They may occasionally be consulted by higher management when plans, policies, and production schedules are being made, but such consultations appear to be unusual. Hence the supervisors involved in these cases may be said to have little if anything to do with policy making.

The duties and authority of the supervisors in these cases have important differences. The most striking contrasts are between the duties and authority of the supervisors in the three shipyard cases on the one hand and in the ten manufacturing companies on the other hand. The supervisors in the three shipyard companies are lower in the scale of management and closer to the rank and file workers than the foremen in the manufacturing companies.

The lowest grade of supervisors involved in these cases are the temporary supervisors in the Maryland Drydock Company. They are the first line of supervision above the rank and file workers, each generally handling groups of ten or less. (Washington Rec. 33). The temporary supervisor directs the work of mechanics and instructs. He does not impose discipline or handle grievances.

The next level of supervision are the working leaders found in the Maryland Drydock Company. The working leader may sometimes supervise temporary

supervisors. More often he may supervise workers directly. As the title implies, a working leader may actually perform some of the work he is supervising. Under war conditions, however, manual work by working leaders is limited to the operations which are especially difficult. Most of the time of the working leaders is spent supervising other persons. It is his responsibility to translate specifications of the job to the workers and directly to instruct the workers as to the performance of the work. It is his responsibility to see that the workers have sufficient material and supplies. The working leaders have first-hand knowledge of the workers under them and may be the only level of supervision which has this direct knowledge. (Washington Rec. 37-38) The Maryland Drydock Company says that it leans heavily on the opinion and judgment of working leaders in matters of promotions, merit increases, demotions, or terminations of workers under their supervision.

The leaders or leading men, involved in the Federal Shipbuilding and Drydock and the Maryland Drydock cases, hold a position of general supervision in a shop or on a ship. A leader usually directs the activities of several working leaders or temporary supervisors. He makes sure that the lower level of supervision understands the work that is to be done and clears up questions about the work. Leaders and leading men must give particular attention to the ordering and expediting of materials and supplies, and only on rare occasions are they required to observe the actual work of individuals. (Washington Rec. 36-37) The leading men in the Federal Shipbuilding and Drydock Company may negotiate a wage increase for an individual worker. A leading man may recommend disciplinary action, but he does not discipline men without consultation with foremen. If a warning slip is issued to a man, it is issued and signed by the foreman, but it may be handed to the worker by the leading man. (New York Rec. Aug. 7, 29)

The sub-foremen involved in the New York Shipbuilding Company case are above the working leaders and leading men. A sub-foreman may have as few as five or six men under his direction and may actually spend part of the time (as in the case of welders) using the tools of his trade. (Statement on Behalf of Sub-Foremen's group, 4) In other departments the sub-foremen may direct as many as 30 or 40 employees, and in a few cases there may be 50 or 100 in a gang. Sub-foremen are charged with seeing that the work performed by their subordinates is completed on schedule and in accordance with drawings and specifications. The sub-foremen are expected to rate the employees for skill, ability, productivity, and conduct, and may recommend promotion or discharge. (Statement on Behalf of Sub-Foremen, 4) The sub-foremen do not impose discipline or handle grievances.

The foremen in the 10 manufacturing plants are in charge of departments. A foreman may supervise 50 or 100 men or more. He is responsible for seeing that the production schedule of the department is met. This means that he plans the manpower needs of the department, requisitions the needed workers, and assigns them to jobs, and sees that they are properly instructed in their work. The foreman is also responsible for seeing that his department is properly supplied with material and that its equipment is properly maintained. He imposes discipline and acts as the first step in handling grievances brought up by the union of rank and file workers. Although there are differences in the responsibilities of the foremen in the manufacturing plants, they appear to be minor. The following job descriptions of duties of foremen may be regarded as reasonably typical for manufacturing companies. One is a job

description of the Aeronautical Products, Inc. (Company Ex. 2), and the other is a summary of the supervisors' management responsibilities in the Murray Corporation (Murray Ex. 3-A). In reproducing the job description of the Murray Corporation, technical references to company manuals have been omitted.

From Aeronautical Products Inc., (Company Ex. 2):

Job Description

Foreman - Departmental

Supervises, instructs and directs the work of a varying number of employees engaged in machining or expediting the machining of the Company's products, and is designated for identification purposes by the department to which he is assigned.

Supervision is usually limited to one work-shift, with responsibility given the 1st (Day) Shift Foreman to so plan the flow of work that the following shifts may proceed without interruption.

Responsibilities
In so supervising, instructing and directing the department, he performs the following specific duties: on the basis of his production schedules plans the manpower needs of the department, requisitioning needed additional or replacement workers, assigns workers to particular jobs and tasks according to their experience and ability; trains, instructs, and assists new workers; recommends transfers, promotions, demotions, merit raises and disciplinary action and discharges for cause under the specific stipulations of the C.I.O. Union contract, and is charged with the settlement of all grievances arising in his department at their source. in the first two steps of the Five-Step grievance procedure; plans and organizes the department so as to fully utilize manpower and machinery available in order to meet production schedules; confers with the Superintendent and Plant Manager recommending changes, orders necessary machinery, tools and equipment, and checks production against standards established for each job; maintains attendance and punctuality records of his employees; attends such training sessions as are scheduled from time to time to improve his technical knowledge and his skill in handling his personnel.

These Foremen utilize the knowledge and skill of the job classifications they supervise, together with the exercise of considerable independent judgment and responsibility for the products machined.

From the Murray Corporation (Exhibit No. 3-A):

Supervisors' Management Responsibilities

In addition to specific responsibilities assigned in Standard Practice, the following general managerial responsibilities affect all supervision:

1. Personnel

- a. The selection of qualified applicants, training and assignment of functions of personnel under their direction.
- b. Recommending transfer, dismissal or disciplinary action of such employees.
- c. Recommending rate adjustment of employees with the exception of those employees covered by the automatic raise plan.
- d. Promotion of employees.

2. Assignment of Functions

The assignment of functions to each department, section and/or group under their jurisdiction and the instructing or personnel in their responsibilities and limit of authority.

3. Planning

- a. The planning of departmental and/or section activity
- b. The requisitioning of labor requirements to meet delivery schedules.

4. Performance

The actual performance of department and/or section for:

- a. Cost
- b. Quality of product
- c. Delivery to schedule

5. Working Conditions

Company-employee relationship on:

- a. Safety
- b. Working conditions
- c. Conservation of company property
- d. General appearance of department or section

6. Services

The requisitioning and securing of services from other departments for the proper performance of their own department or section. The recommending of major expenditures for the improvement of Company property.

7. Rules and Regulations

The enforcement of company policies, rules and regulations

8. Standard Practice

- a. Installation of Standard Practice with personnel under their direction.
- b. Notification of required change or recommendation for improvement of Standard Practice.

The principal differences between the duties and authority of the supervisors in the several cases before the panel may be summarized as follows:

1. A few of the supervisors (the temporary supervisors, working leaders, and sub-foremen) occasionally do a small amount of manual work, but most of the supervisors do no manual work.
2. The temporary supervisors and working leaders in the Maryland Drydock Company work very closely with the rank and file employees and one of their principal duties is to instruct. (New York Rec. August 7, 27, and Washington Rec. 38-39). The leaders, leading men, and foremen are less closely in touch with the rank and file. They supervise the rank and file largely by directing the work of subordinate supervisors, such as the temporary supervisors, the working leaders, and, in the case of manufacturing plants, the gang leaders or gang bosses.
3. The supervisors in the three shipyards may recommend discipline, but are not directly responsible for imposing discipline. The foremen in the ten manufacturing companies may impose discipline, subject to appeal to the grievance machinery provided in the contract with the rank and file union.
4. The foremen in the ten cases involving manufacturing companies are the first step on the management side in handling grievances with the rank and file unions. None of the supervisors involved in the three shipbuilding cases represent management in handling grievances with the representatives of rank and file unions. In those cases the first step in grievance procedure is one or more levels higher up in the hierarchy of management.

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The Panel sought to obtain an explanation from the representatives of supervisors concerning the underlying conditions which lead them to admit persons up to a certain point, but not beyond. The Panel was unable to obtain from the foremen any clear line of demarcation, or any definitive principle, by which they differentiated from higher management the supervisors for whom they spoke. Some of the witnesses of the Foremen's Association of America seemed to imply that the responsibilities of their foremen members are differentiated from the responsibilities of immediate superiors by the fact that the foremen have very little to do with policy making. As pointed out above, however, this distinction does not seem to hold true in most of the plants involved in these proceedings. One must go more than one rank above foremen in most plants to find officials who participate intimately in making major company policies.

V. THE FOREMAN'S ASSOCIATION OF AMERICA -- ITS HISTORY, MEMBERSHIP REQUIREMENTS, AND RELATIONS WITH OTHER LABOR ORGANIZATIONS.

1. History. The first organization of foremen in the Detroit area seems to have occurred in 1938. It began in the Kelsey-Hayes Wheel Company from which it spread to other plants. The foremen sought affiliation with the C. I. O., which at first rejected their attempts to affiliate. In December, 1938, however, the C. I. O. granted the foremen a charter. On June 20, 1939, the union won formal recognition from the Universal Cooler Corporation of Detroit. This recognition was negotiated as a supplement to the regular contract between the company and the United Automobile Workers and stated that "the company recognizes the union as the bargaining agency for its supervisory employees not eligible to become members of the United Automobile Workers." The C. I. O. foremen's union soon had 900 dues-paying members and was fairly well established in eleven plants. Another C. I. O. foremen's local conducted a strike at the Electric Auto-Lite Company at LaCrosse, Wisconsin, and won improved wages and conditions and an informal letter of agreement.

During the 1939 strike of the United Automobile Workers at the Chrysler plants a number of foremen at the Dodge truck plant joined the C. I. O. The Chrysler Corporation discharged 43 of them. The company also demanded that the C. I. O. disband its foremen's union in the Chrysler plants and cease organizational activities there. This the C. I. O. agreed to do. The National Labor Relations Board dismissed charges of unfair labor practices filed by the dismissed foremen. The membership of the union dropped rapidly and, in February, 1940, it surrendered its charter.¹

The organization which developed into the Foreman's Association of America began in the River Rouge Works of the Ford Motor Company in August, 1941. This was about two months after the Ford Motor Company signed a union shop contract with the United Automobile Workers in June, 1941. The Ford Motor Company had increased the number of foremen tremendously, but had given them little or no training. The scale of compensation of foremen in the Ford Company contained inconsistencies which were a source of dissatisfaction. The Ford foremen had not received wage increases comparable to those granted the rank and file workers in their contract of June, 1941. This contract provided that the seniority of production men, who were promoted to foremen, cease to accumulate on the day of promotion. Mr. Robert H. Keys, one of the leaders of the original group and now president of the Foreman's Association of America, has described the aims of the original group as follows:

1. For an account of the C. I. O. Foremen's Union, see Ira B. Cross, Jr., "When Foremen Join the C. I. O.," Personnel Journal, Vol. XVIII, pp. 274-283, and 346.

"Our original idea was to form a group in just our division of the company for the protection of our rights. We ... had no idea that our movement would spread all through the Ford plants ... Before we realized what was going on, our original handful had increased to thousands ... Then ... we began getting inquiries from foremen in other large Detroit corporations."1/

In September, 1941, with approximately 350 foremen in attendance, the name Foreman's Association of America was adopted and a committee of foremen was appointed to act as a "constitutional committee," and instructed to prepare a rough draft of a proposed constitution. On November 2, 1941, a meeting of approximately 1200 foremen adopted the constitution of the Foreman's Association of America. At this meeting officers were elected.

Activities of the Foreman's Association during 1941 were confined almost entirely to the foremen of the Ford Motor Company. A charter to foremen outside the Ford Company was not granted until February 16, 1942. This charter was granted to foremen in the Briggs Manufacturing Company. The next charter was not granted until August 27, 1942. It was given to a group of foremen in the Detroit Lubricator Company. Shortly afterward, on September 22, 1942, and on October 13, 1942, charters were granted to foremen in the Chrysler Corporation and the Packard Motor Car Company, respectively.

In the meantime some organization was going on among the foremen in various other plants. For example, in the Ecorse plant of the Murray Corporation, where the foremen had organized in 1938 but later disbanded, a petition signed by the foremen was presented to management in January, 1942. The petition requested joint consideration and decisions on matters relating to wages and working conditions. In February, 1942, a meeting was held with management at which time an agreement was reached to hold meetings once a month to consider grievances. Unresolved grievances were to be arbitrated. Meetings continued until November, 1942, at which time the foremen petitioned the National Labor Relations Board for investigation and certification in order to determine the bargaining agent. At this time the organization of foremen at the Ecorse plant was not affiliated with the Foreman's Association of America.

After hearings before a trial examiner on January 7, 1943, the National Labor Relations Board, on February 24, 1943, established three units appropriate for the purposes of collective bargaining. Elections to determine bargaining agents were held on March 26, 1943. Concurrently a Company petition for reconsideration was granted and the ballots cast at the election

1/ Robert H. Keys, "Union Membership and Collective Bargaining by Foremen," Mechanical Engineering, LXVI (April, 1944), 251.

were impounded. In May, 1943, the foremen's organization at the Ecorse plant affiliated with the Foreman's Association of America. On July 6, 1943 the National Labor Relations Board reversed its previous decision in the Murray case, found that department, shift, and section supervisors did not constitute units appropriate for collective bargaining, and dismissed the petition of the supervisors.

(X) The Foreman's Association held its first convention in the fall of 1942. Eight chapters had delegates at the convention. Prior to the first convention, the officers originally elected at the meeting on November 2, 1942, had been acting both as officers of the Ford chapter and as national officers. After the first convention separate officers were elected for the national union and for the Ford chapter.

By the end of 1942, the Association had 10,392 members and a total of eight chapters. Growth throughout 1943 was rapid. By the end of the year, the Association had 18,963 members and a total of 68 chapters. A second convention was held in the fall of 1943. The growth of the Foreman's Association of America is shown in the following table:

	Number of Chapters	Number of Members
December 31, 1941	1	4,020
December 31, 1942	8	10,392
December 31, 1943	68	18,963
July 31, 1944	109	25,000
December 31, 1944	152	33,000

The great bulk of the membership of the Foreman's Association of America in July, 1944, was in the Detroit area and in the automotive industry. Of the 109 chapters, regular and provisional, at the end of July, 1944, 64 were in the state of Michigan. Fifty-one of the 109 chapters, and possibly more, were in companies which, in time of peace, make principally automobiles or automotive parts. During 1944, however, the growth of the Foreman's Association showed much wider diversification with respect to both industry and area than before. Of the 42 regular and provisional charters granted between the first of January, 1944, and the end of July, 1944, 23 were outside the state of Michigan, and 26 were granted to foremen in companies which are not in the automobile or automotive parts industries. Of the 43 additional regular and provisional charters granted up to the end of 1944, 35 were outside the state of Michigan and 32 were outside the automobile and automotive parts industries.

On November 5, 1942, the Foreman's Association signed a wage and classification agreement with the Ford Motor Company establishing a standard set of classifications and rates for foremen. After the rate schedules were approved by the National War Labor Board and the Treasury, wage payments retroactive to November 5, 1942, were given to the foremen. This agreement with the Ford Company did not contain grievance procedure, and did not cover working conditions of supervisors other than wages. Nevertheless, a foremen's personnel office was established by the Ford Motor Company and many grievances were adjusted with this office through representatives of the Foreman's Association.

On October 8, 1943, the Foreman's Association signed an agreement with the Detroit Lubricator Company which recognizes the Association as the collective bargaining agent of the foremen employees of the company, but excludes a few general foremen. This agreement of recognition, however, has not been followed by a formal contract, because the cooperative attitude of the employer, the Association states, has made such a contract unnecessary.

In February, 1943, a consent election was held among the foremen of the Packard Motor Car Company at which 486 foremen voted to designate the Association as their bargaining agent, and two voted against it. The Company challenged the vote of some 80 foremen. Subsequently it refused to negotiate an agreement.

On May 9, 1944, the Foreman's Association and the Ford Motor Company signed a comprehensive collective bargaining agreement. This agreement recognizes the Association as the collective bargaining agent for its members, establishes wage and salary classifications, and sets up grievance machinery. In July, 1944, the Foreman's Association signed its second collective bargaining agreement with the United Stove Company of Ypsilanti, Michigan.

The Foreman's Association has been involved in the following strikes:

<u>Chapter</u>	<u>No.</u>	<u>Plants</u>	<u>Address</u>	<u>Foremen Involved</u>	<u>Strike Started</u>	<u>Ended</u>
Ford	1	Rouge Bomber Highland Park Lincoln	Dearborn, Mich. Ypsilanti, " Highland Pk" Detroit "	7,500	June 19	June 21 1943
	1	Bomber	Ypsilanti, "	1,200	Dec. 21	Dec. 22 1943
Briggs	2	Mack Ave.	Detroit, "	1,324	Apr. 27	May 17 1944
		Hamtramck	Hamtramck "			
		8 Mile Rd	Detroit, "			
		Milwaukee Ave	Detroit, "			
		Outer Drive	Detroit, "			
		Vernor Hwy	Detroit, "			
		Mel drum Ave.	Detroit, "			
Chrysler	3	Shoemaker Garage	Detroit, "	700	Jan. 13	Jan. 21 1944
		Connors Ave.	Detroit, "			
		DeSoto	Detroit, "			
		Wyoming & Warren	Detroit, "			
		Dodge Main	Detroit, "			
		Dodge Mound Rd.	Detroit, "			
		McKinstry Ave.	Detroit, "			
		John R. Ave.	Detroit, "			
		Tank Arsenal	Detroit, "			
		Highland P.	Highland Pk"			

Chapter	No.	Plants	Address	Foremen Involved	Strike Started	Strike Ended
Packard	5	All - Also 30,000 employees out last 5 days	Detroit, Mich.	900	May 3	May 17 1944
Hudson	6	Detroit	Detroit, "	650	May 1	May 17 1944
Gar Wood	7	6 plants	Detroit, "	167	May 9	May 17 1944
Murray	34	Main	Detroit, "	400	May 5	May 17 1944
Murray	34	Ecorse	Ecorse, "	200	July 10	July 15 1943
Republic Steel	43	"98" Strip Mill	Cleveland, O.	50	Oct. 7 1943	Oct. 9 1943
Bohn Aluminum	66	Plant No. 24	Adrian, Mich.	28	Dec. 21 1943	Locked Out Jan. 4 1944
Aeronautical Products	64	All	Detroit, Mich.	46	May 9	May 17, 1944

The following is a list of the Chapters of the Foreman's Association of America as of July 31, 1944, their location, and the date of their charter.

No.	Chapter	Location	Date Chartered
1	Ford Motor Co.	Detroit, Mich.	Jan. 4, 1942
2	Briggs Mfg. Co.	" "	Feb. 16, 1942
3	Chrysler Corp.	" "	Sept. 22, 1942
4	Detroit Lubricator Co.	" "	Aug. 27, 1942
5	Packard Motor Car Co.	" "	Oct. 13, 1942
6	Hudson Motor Car Co.	" "	Nov. 17, 1942
7	Gar Wood Industries, Inc.	" "	Nov. 24, 1942
8	U. S. Rubber Co.	" "	Dec. 20, 1942
9	Detroit Corporation	" "	Jan. 3, 1943
10	Timken Detroit Axle Co.	" "	Jan. 3, 1943
11	Kelsey-Hayes Wheel Co.	" "	Jan. 17, 1943
12	General Motors Corp. (Diesel Div.)	" "	Jan. 31, 1943
13	Detroit Edison Co.	" "	Feb. 16, 1943
14	Ford Motor Co. (Canada)	" "	Mar. 11, 1943
15	Great Lakes Steel Corp.	Detroit, Mich.	Mar. 11, 1943
16	Aluminum Co. of America	" "	Mar. 11, 1943
17	Detroit Transmission	" "	Mar. 4, 1943
18	Nash-Kelvinator	Lansing, Mich.	Mar. 11, 1943
19	Chicago Pneumatic Tool	Detroit, Mich.	Mar. 11, 1943

<u>No.</u>	<u>Chapter</u>	<u>Location</u>	<u>Date Chartered</u>
20	Graham Paige Motors Corp.	Detroit, Mich.	March 11, 1943
21	Nash-Kelvinator	" "	March 21, 1943
22	Detroit Steel Products Co.	" "	March 21, 1943
23	Bethlehem-Fairfield Shipyard	Baltimore, Md.	May 2, 1943
24	Soss Mfg. Co.	Detroit, Mich.	May 21, 1943
25	Midland Steel Products	" "	May 2, 1943
26	Studebaker Sales Corp.	South Bend, Ind.	April 4, 1943
27	Wooddall Industries, Inc.	Detroit, Mich.	April 4, 1943
28	Pontiac Motor Division	Pontiac, Mich.	May 2, 1943
29	Frost Gear & Forge Co.	Jackson, Mich.	May 2, 1943
30	Bohn Aluminum & Brass	Detroit, Mich.	May 2, 1943
31	Ternstedt Mfg. Co.	" "	a
32	Detroit Gray Iron Foundry Co.	" "	May 2, 1943
33	Detroit Brass & Malleable	" "	May 2, 1943
34	Murray Corp. of America	" "	May 2, 1943
35	Firestone Rubber & Metal	Eyandotte, Mich.	May 21, 1943
36	Whitehead-Kales Co.	Detroit, Mich.	May 21, 1943
37	Wolverine Tube Division	" "	May 21, 1943
38	Bendix Aviation Corp.	South Bend, Ind.	May 21, 1943
39	Youngstown Sheet & Tube	East Chicago, Ind.	May 21, 1943
40	Standard Oil Co.	Detroit, Mich.	June 7, 1943
41	Sinclair Refining Co.	East Chicago, Ind.	June 7, 1943
42	Carnegie Ill. Steel Corp. Gary Sheet & Tin	Gary, Ind.	June 11, 1943
43	Republic Steel Corp. 28" Strip Division	Cleveland, O.	July 1, 1943
44	Carnegie Ill. Steel Corp. Gary Works	Gary, Ind.	July 1, 1943
45	Chevrolet Gear & Axle & Forge	Detroit, Mich.	July 1, 1943
46	Federal Mogul Corp.	" "	July 9, 1943
47	Carnegie Ill. Steel	Farrell, Pa.	Aug. 24, 1943
48	Chevrolet Motor & Axle Div. General Motors	Buffalo, N.Y.	Aug. 24, 1943
49	Inland Steel Co.	Indiana Harbor, Ind.	Aug. 24, 1943
50	Bethlehem Steel	New York	Aug. 24, 1943
51	U. S. Rubber	Des Moines, Iowa	Aug. 24, 1943
52	United Stove	Ypsilanti, Mich.	Aug. 24, 1943
53	Olds Motor Works	Lansing, Mich.	Sept. 2, 1943
54	Simmons Co.	Elizabeth, N.J.	Oct. 4, 1943
55	Herron Zimmers Mldg. Co.	Detroit, Mich.	Oct. 4, 1943
56	Gary Screw & Bolt Div. Pittsburgh Screw & Bolt Corp.	Ind.	Oct. 4, 1943
57	American Steel Foundries	East Chicago, Ind.	Oct. 4, 1943
58	Allegheny Ludlum Steel	New York	Oct. 4, 1943
59	American Blower Corp.	Detroit, Mich.	Nov. 2, 1943
60	Fisher Body	" "	Nov. 2, 1943
61	Fruchauf Trailer	" "	Nov. 23, 1943
62	Gammer Mfg. Co.	" "	Nov. 23, 1943
63	Willys Overland	Toledo, Ohio	Nov. 23, 1943

a/ Not reported.

<u>No.</u>	<u>Chapter</u>	<u>Location</u>	<u>Date Chartered</u>
64	Wyandotte Chemical	Wyandotte, Mich.	Nov. 23, 1943
65	Gen. Motors Truck & Cash	Pontiac, Mich.	Nov. 30, 1943
66	Bohn Aluminum & Brass	Adrian, Mich.	Dec. 13, 1943
67	Buhl Stamping Co.	Detroit, Mich.	Jan. 11, 1944
68	Nash-Kelvinator Corp.	Grand Rapids, Mich.	Jan. 11, 1944
69	L. A. Young Spring & Wire Corp.	Detroit, Mich.	Jan. 11, 1944
70	Airway Electric Appliance	Toledo, Ohio	Feb. 8, 1944
71	Westinghouse Elec. & Mfg. Co.	Detroit, Mich.	Feb. 8, 1944
72	Gear Grinding Machine Co.	" "	March 10, 1944
73	Thermoid Co.	Trenton, N. J.	March 10, 1944
74	Curtiss-Wright Co.	Columbus, Chic	June 27, 1944
75	Spicer Mfg. Co.	Pottstown, Pa.	April 14, 1944
76	Intl. Smeltg. & Refining	Tooele, Utah	April 14, 1944
77	Edward G. Budd Co.	Detroit, Mich.	April 14, 1944
78	Chase Bag. Co.	Toledo, Ohio	April 14, 1944
79	Consolidated Paper Co.	Monroe, Mich.	April 14, 1944
89	Dodge Chicago Plant Div. of Chrysler Corp.	Chicago, Ill.	April 14, 1944
81	Indiana & Michigan Elec.	South Bend, Ind.	April 14, 1944
82	Fisher Body Corp.	Flint, Mich.	
83	Chevrolet Gray Iron Foundry	Saginaw, Mich.	May 12, 1944
84	Aeronautical Products	Detroit, Mich.	May 12, 1944
85	Pullman Standard Car Mfg.	Hammond, Ind.	May 12, 1944
86	Zenith Carburetor Corp.	Detroit, Mich.	May 12, 1944
87	Arvey Corp.	Detroit, Mich.	May 20, 1944
88	Briggs Mfg. Co.	Evansville, Ind.	May 20, 1944
89	Mich. Steel Tube Products	Detroit, Mich.	May 20, 1944
90	Wright Aeronautical Corp.	Cincinnati, Ohio	May 20, 1944
91	Packard Motor Car Co.	Toledo, Ohio	May 20, 1944
92	Pullman Standard Car Mf.	Chicago, Ill.	May 31, 1944
93	Revere Copper & Brass	Detroit, Mich.	May 31, 1944
94	Acme Steel Co.	Illinois	May 31, 1944
95	Defee Shipbuilding Co.	Bay City, Mich.	June 12, 1944
96	Allied Steel Casting Co.	Illinois	June 12, 1944
97	General Analine Works	New Jersey	June 12, 1944
98	B. F. Goodrich Co.	Akron, Ohio	June 27, 1944
99	Bell Aircraft Corp.	Buffalo, N. Y.	June 27, 1944
100	Tenn. Coal Iron & R.R.	Fairfield, Ala.	June 27, 1944
101	American Steel Foundries	Granite City, Ill.	b.
102	White Motor Co.	Cleveland, Ohio	b.
103	U. S. Rubber	Passaic, N. J.	b.
104	Laboratories, Inc.	Brooklyn, N. Y.	b.
105	Midland Steel Products	Cleveland, Ohio	b.
106	Sparks-Withington	Jackson, Mich.	b.
107	Wisconsin Steel Works	Chicago, Ill.	b.
108	Spring Bumper Division		
	Houdaille-Hershey Corp.	Chicago, Ill.	b.
109	Harbison Walker Refractories	East Chicago, Ind.	b.

b. At the time the Association prepared this list, Chapters 101 to 109 inclusive had been issued provisional charters only.

2. The membership of the Foreman's Association. The constitution of the Foreman's Association of America adopted in November, 1941, and amended in 1945 (Association Ex. 11) contains in Article 5 the following provisions governing membership:

Section 2. Any employee of good moral character, whose duties require the supervision of other employees, or who directs work, who may or may not supervise other employees, and who is not a member of any other organization recognized by his employer as representing him in collective bargaining, may become a member of the Association after having been employed as a supervisory employee for a period of not less than thirty (30) days prior to the filing of application for membership, and provided that such application to a Chapter of the Association is accompanied by a membership fee.

Section 3. No supervisory employee or individual acting as negotiator in formulating employer-policy may become a member of the Foreman's Association of America.

These provisions apparently do not restrict the membership in the Association of foremen to any particular rank of supervisor. Apparently any supervisor who does not belong to any other organization recognized by his employer or who does not act as a negotiator in formulating employer policy may become a member of the Association. In one or two plants a few superintendents have joined, but there has been a little interest on the part of the Association in seeking membership among superintendents. The actual practice of the Association, however, has been to restrict membership to foremen.

3. The relation of the Association to other labor organizations. The Foreman's Association is not affiliated with either the C.I.O. or the American Federation of Labor. The leaders of the Foreman's Association assert their intention to remain independent of other labor organizations. The companies contend that the Foreman's Association is not now in fact independent of rank and file unions, and if it now is independent, it cannot long remain so. (Briggs Brief, 37-39, Chrysler Brief, 38-43.)

The Foreman's Association of America has received some official support from the C.I.O. and from the U.A.W. The Michigan State C.I.O. Council at a meeting on June 29, 1943, passed and published a resolution which provided in part:

"Resolved: That this Convention of the Michigan State CIO Council go on record supporting the fight of the Foremen to establish collective bargaining rights and other rights guaranteed by the Wagner Act, and be it further

"Resolved: That copies of this resolution be sent to the Smith Committee, President R. J. Thomas, President Philip Murray and the Foreman's Association of America."

Mr. R. J. Thomas, the President of the U.A.W., was quoted in the Detroit News of May 5, 1944, to the effect that the U.A.W. would not permit its members to take the places of striking foremen. An article in support of the Foreman's Association of America appeared in the "Victory News", an official publication

of the U.A.W., C.I.O., at the Dodge Chicago plant of the Chrysler Corporation. The record contains (Briggs Ex. 21) what purports to be an issue of "On Guard", a mimeographed sheet issued by the Educational Committee of Local Union 212, U.A.W., the chief stewards and stewards. This issue plainly indicates sympathy and support for the Foreman's Association of America, but its authenticity is disputed.

The official journals of the various C.I.O. unions have quite generally refrained from commenting upon the activities of the Foreman's Association. The record contains no evidence of support to the Foreman's Association by leaders or organizations within the C.I.O., although some support was given by individuals. The chief steward in one of the Briggs plants marched in the picket line of the foremen on May 16, 1944. (Detroit Rec. 2208). During the foremen's strike the employees in many departments made little effort to work, in some cases the rank and file booted the foremen who remained at work and caused some of them to leave their jobs. (Detroit Rec. 2211). It should be noted, however, that the chief steward who marched in the picket line of the foremen was disciplined by a two-week lay off. Furthermore, the United Automobile Workers sent an officer to the Conner plant of the Briggs Manufacturing Company where some members of the local union were aggressive in support of the foremen. At a meeting of representatives of management with the national representative and with the president and vice-president of the local, the representatives of the United Automobile Workers promised that they would do what they could to correct the conduct of their members. Mr. Taylor, a witness for the Company, testified that the union leaders made some attempt and that conditions did improve. (Detroit Rec. 2209).

The support given to the Foreman's Association by the United Automobile Workers has been notably weak and scattered. From its policies and action there is little to suggest that the United Automobile Workers are keenly interested in encouraging the organization of foremen. Whether the United Automobile Workers would be able to take over the Foreman's Association, or to dominate it without taking it over, is a matter of conjecture. The result of any such attempt would necessarily depend partly upon whether the foremen wished to remain independent or preferred to affiliate with the United Automobile Workers. In the event that the foremen wished to remain independent, the result would depend partly upon how vigorously the foremen fought to maintain their independence and how staunchly they were supported by the employers. The Foreman's Association has chapters in many plants in which the rank and file workers do not belong to the U.A.W. Counsel for the Chrysler Corporation called attention to the fact that the U.A.W. has disavowed any intention of absorbing the Foreman's Association at this time. (Company Brief, 41).

VI. OTHER ORGANIZATIONS OF FOREMEN INVOLVED IN THESE DISPUTES AND THEIR RELATIONS WITH RANK AND FILE UNIONS.

1. The Baldwin Locomotive Works. In the Eddystone plant of the Baldwin Locomotive Works the foremen organized in 1943 and were chartered in December, 1943 as Lodge 91 of the International Association of Machinists, which is affiliated with the American Federation of Labor. This union admits foremen, but the vast majority of the members of the union throughout the nation are non-supervisory workers. Another local of the machinists' union is the bargaining agent for the rank and file workers in another plant of the Baldwin Locomotive Works and has a contract with the Company. In the Eddystone plant, however, the membership of Lodge 91 is confined to supervisors. The rank and file are represented by the United Steelworkers of America, Local Union No. 2844, an affiliate of the C.I.O.

2. Federal Shipbuilding and Drydock Company. The supervisory employees in The Federal Shipbuilding and Drydock Company involved in these proceedings formed the "Leadingmen's Organizing Committee" so-called, in December, 1943. (Statement on Behalf of Leadingmen's Organizing Committee, 5). A majority of the leadingmen employed in the two shipyards of the Company are, according to this Statement, members of Local 16 of the Industrial Union of Marine and Shipbuilding Workers of America. The leadingmen originally sought to deal with the Company through Local 16 as their representative. The Leadingmen's Organizing Committee was formed after the Company's refusal to deal with Local 16 as representative of the leadingmen. The Leadingmen's Organizing Committee states that it has recruited a membership of 1281 of the leadingmen at the Kearny yard and 632 of the leadingmen at the Port Newark yard, or a total of 1913 leadingmen out of approximately 2200 employed by the Company.

The Statement of the Committee describes its organization and operation as follows (p. 5):

"The Organizing Committee operates in very much the same manner as to the subordinate organizations of the local Union. Each of these subordinate organizations consists of the maintenance and production workers of one of the departments in the Company's yards, and has a committee of three officials and two alternates, which act as the "shop committee" for the purpose of presenting grievances of the Union's members in that particular department of the Company's yard and for the purpose of maintaining liaison between the Union and its members in that department. The Leadingmen's Organization, however, differs from the other subordinate organizations of the local Union in that it consists of all the leadingmen irrespective of the department in which they work. Presently, its relationship with the Union is not too definitely defined by reason of the Company's refusal to recognize the Union as representative of the leadingmen."

Counsel for the Leadingmen's Committee, who is also counsel for the Industrial Union of Marine and Shipbuilding Workers, stated at the hearing that the ultimate goal of the leadingmen is to obtain recognition of the Industrial Union of Marine and Shipbuilding Workers of America as the exclusive representative of the leadingmen for the purpose of collective bargaining. (New York Rec. Aug. 7, 10) In these proceedings, however, the leadingmen do not seek recognition of Local 16 as their representative.

3. The Maryland Drydock Company. In the Maryland Drydock Company the organization of supervisors consists of two committees--one a Committee of Seven, described by Mr. Goldstein, the counsel for the supervisors, as "the Committee which makes and presents matters to management". (Washington Rec. 66) The other is an advisory committee. It consists of 21 members (Washington Rec. 67) The Committee of Seven is not selected by the committee of 21. All of the supervisors, according to Mr. Goldstein, meet once a month on the last Tuesday of the month. (Washington Rec. 68) The negotiating Committee of Seven was selected by all of the supervisors. (Washington Rec. 68)

A majority of the supervisors involved in the Maryland Drydock Company proceedings are members of Local 31 of the Industrial Union of Marine and Shipbuilding Workers of America. (Washington Rec. 388) Local 31, according to Mr. Goldstein, originally sought to represent the supervisory employees of the Maryland Drydock Company. (Washington Rec. 387) In response to a question of when that time ended Mr. Goldstein said (Washington Rec. 387): "It has not ended and it will never end until we are told either by Congress or by the Supreme Court of the United States, that the National Labor Relations Board is, beyond peradventure, right." The meetings of the supervisors are held in the office of Local 31. Mr. Goldstein, who represents the supervisors in the Maryland Drydock Company, is also general counsel for the Industrial Union of Marine and Shipbuilding Workers of America and testified that Local 31 will pay his fees for the time spent by him in this proceeding. (Washington Rec. 403)

All members of the negotiating Committee of Seven are members of Local 31 (Washington Rec. 68) Mr. Victor Mastropieri, chairman of the negotiating committee, estimates that about half of the members of the committee of 21 are not members of Local 31. (Washington Rec. 68) The supervisors as a going organization are not part of Local 31 and do not constitute a subdivision of it. (Washington Rec. 389)

4. New York Shipbuilding Corporation. All, or virtually all, of the sub-foremen in the New York Shipbuilding Corporation are members of Local No. 1 of the Industrial Union of Marine and Shipbuilding Workers of America which represents the production workers (Statement on Behalf of the Sub-Foremen, 6). The Statement says (p. 6):

"The sub-foremen are eligible to office in the local Union and since, among the ranks of the sub-foremen, are to be found those old employees who originally organized the Union, and who have been promoted to their present positions solely because of the war, many of the sub-foremen are very active in the affairs of the Union, and some of them hold office and membership on the Union's committees."

The sub-foremen are all members of a single subordinate organization within the local created by the Union solely for their benefit. Like other subordinate organizations of the local union, the sub-foremen have a committee consisting of three officers and two alternates.

VII. PROCEDURES AVAILABLE TO SUPERVISORS FOR THE SETTLEMENT OF GRIEVANCES IN THE PLANTS INVOLVED IN THESE DISPUTES.

In most of the plants involved in these proceedings no special procedure or machinery exists by which foremen or other supervisors may take up their grievances with higher management. A foreman is expected to discuss any grievance either with his immediate superior or with the appropriate officer of the company. If he fails to obtain satisfaction he may, if he desires, carry the case higher. The companies have maintained emphatically that the doors of the highest executives are open to any foreman who wishes to make an appeal.

Representatives of several companies testified that a foreman who is not able effectively to state his own case is not fit to be a foreman. This point of view is well stated by Mr. Byron C. Gould, vice president of the Murray Corporation, as follows (Detroit Rec. 1217):

"We are not willing to bargain collectively with our supervisors through an Association or otherwise. Nor are we willing to talk over supervisors' grievances with anyone but the man who claims the grievance. If a supervisor lacks the ability to handle his own affairs in his dealings with his superiors in Management, then he lacks the qualities which will make him a good supervisor for the Company. A good supervisor must know how to speak for himself. It has been said that when a wife speaks to her husband through a representative, the marriage is over. We believe the same is true of Management."

Mr. Robert Conder, director of labor relations of the Chrysler Corporation, testified (Detroit Rec. 1886) that he does not believe that it is at all necessary for foremen to deal with the Corporation through representatives because foremen should be able to speak for themselves. He said:

"We expect foremen to be articulate; they have to be in carrying out their jobs. They really aren't the kind of people we want for foremen unless they have the ability to speak for themselves and state what their complaints are, if any, and why they think they should be adjusted. Foremen have that opportunity in our plants."

The same point of view was expressed by Mr. Fay B. Taylor, personnel director of the Briggs Manufacturing Company, who said (Detroit Rec. 2240):

"We believe that every supervisor is very well capable of stating his own position and his own desires, and if for any reason he is not, then we have made a mistake in his promotion. He is amply qualified; he must be able to do so in order to perform his functions and bargain as he has to daily and hourly with the employees whom he supervises."

Mr. Clinton W. Wood, vice president of the Gar Wood Industries, Inc., disagreed with the view that every foreman can be depended upon to speak for himself. Mr. Wood said (Detroit Rec. 3695):

"Now, I don't say that industry is clean, that we are clean, that we have handled every problem satisfactorily, that there shouldn't

be some straightening out within our own organization and take care of any apparent problems that come up in a right manner; maybe we have got some foremen that are timid about coming and speaking about some of the things that they want to talk to us about. Now those things are apparent. I mean those things are apparent to us, and I think that we cannot use the argument, 'Well, if the foreman hasn't got enough initiative on his own to come in and talk to the superintendent about the problem he shouldn't be a foreman.' I don't think that is the answer myself. I think there is a certain type of man who hesitates to talk about his wages. We propose, in fact, we have the thing in effect now, to evaluate the job, taking the foreman and explaining to him how it is evaluated, give him his rate and say, 'All right, now you see the entire picture. Is it going to be satisfactory? Does your job compare with this job satisfactorily?' and go into the thing from that angle, and I think when we get through with it we shouldn't have too much gripe."

Although Mr. Gould, vice president of the Murray Corporation, testified that a properly qualified foreman should be able to handle his own grievances, the Corporation has established a supervisory counsellor in the industrial relations division. This officer has the special responsibility to deal with the personnel problems of foremen. If a supervisor has a grievance, he may talk with his immediate superior about it. If he does not wish to consult his immediate superior, believing that this might affect his relations with his immediate superior, he may consult the supervisory counsellor. If the supervisory counsellor believes that the supervisor does not have a real problem, he is expected to discuss the matter thoroughly with the supervisor in an attempt to interpret company policies to the supervisor. On the other hand, if he believes that the supervisor has a real problem, it is the duty of the supervisory counsellor to seek to settle it. The supervisory counsellor has no authority, but he may recommend remedial action either to the industrial relations manager or to top management. (Detroit Rec. 1189-1193, 1231-1237) Both the management and the Foreman's Association of America agree that few foremen have taken grievances to the supervisory counsellor.

If two or more foremen have the same grievance, the managements of some companies are willing to see the foremen together. Some managements, however, will not discuss grievances with representatives of the aggrieved foremen when the representative himself does not have the same grievance. This is the position of the Baldwin Locomotive Works. Mr. W. H. Holcomb, vice president in charge of industrial relations, testified (Philadelphia Rec. 318):

Q Mr. Holcomb, would the Company have any objection to meeting a group -- I say a reasonably sized group -- of supervisory employees with respect to a grievance that affected all the members of the group?

A Oh, no. No, we would. That would be perfectly reasonable.

Q As I understand your statement, what you object to is to meeting a group of supervisory employees who are attempting to handle a grievance that does not affect them personally, for some other person?

A That is correct

Mr. Clinton W. Wood, vice president of the Gar Wood Industries, Inc., indicated that he was willing to discuss grievances with groups of foremen or committees of foremen, but it is not clear whether he would restrict the discussion to grievances to which the members of the committee were parties. Mr. Wood testified (Detroit Rec. 3662) that he told a group of his foremen who were planning to join the Foreman's Association: "Now, if you want a group of your own without an outside organization go ahead"

He further testified that on the afternoon on which the strike occurred he received a committee of his foremen. He testified that he said to the leader, Mr. MacIntosh (Detroit Rec. 3663): "Mac, if you want to, get a committee of three foremen. Maybe some of these men are afraid to talk with me and Allison alone. Maybe we can discuss it with two or three men, if that is the way you want it."

Other companies, the Hudson Motor Car Company, the Maryland Drydock Company, and the New York Shipbuilding Corporation, are willing to meet committees of foremen on grievances which may not be personal to the members of the committee. Mr. Hornett, a witness for the foremen at the Hudson Motor Car Company, testified that a committee of three, one from each of the company's plants, has met with management representatives "time and again on cases of men who are timid or on cases where the men felt that they should not battle their own cases." (Detroit Rec. 456) Asked, "What have you got to say about that situation?", Mr. Robert Waldron, director of industrial relations, testified as follows (Detroit Rec. 3541, 3542):

A "Well, it is true we have met with a committee of three, one from each plant, but in the past, grievances have been handled on an individual basis and we felt at that particular time that if more than one had a common grievance we would listen to them, and we did. We didn't bargain. We didn't recognize the Association."

Q "Well, you are still, are you not, willing if more than one foreman has got a grievance, if they want to come in you are willing to have them come in and listen to them?"

A "Yes, sir."

CHAIRMAN SLICHTER: "You do not regard that as collective bargaining?"

THE WITNESS: "No, I don't. I regard it as a matter of listening to their suggestions. I hope they have some suggestions sometimes. They do occasionally - complaints."

Q (by Mr. Moder) "When this committee of three came in, that committee of three was a committee of the F.A.A., was it not?"

A "Well, I didn't consider it as F.A.A."

Q "You learned afterwards it was?"

A "Yes. Most of the foremen apparently are members of the F.A.A. out there."

The witness went on to distinguish between talking with the committee about grievances which a number of foremen may have in common and collective bargaining. He said that the management was opposed to collective bargaining. The

chairman of the Panel then asked (Detroit Rec. 3543): "But talking over grievances with a committee of your own men you are willing to do?" The witness: "Yes, we are, we are willing to listen to them"

The Maryland Drydock Company, since December, 1943, has received a committee of supervisors to hear the presentation of grievances when meetings have been requested by the committee. Mr. Goldstein, counsel for the supervisors, stated (Washington Rec. 30):

"... since December of last year there has been relatively no difficulty whatever in the representatives of the supervisors obtaining access to the then vice president in charge of labor relations, Mr. W. Purnell Hull, and in more recent months to Mr. David Ruml, who is assistant to the president and, I believe, now in charge of labor relations. They have been received whenever they have asked for an appointment as a representative group. That has not, however, been true always."

The supervisors have been represented by a committee of seven. Minutes of the meetings have not been kept, but the Company prepared for its own use memoranda of the principal matters discussed. A meeting between a committee of supervisors and representatives of management occurred on July 14, 1943. (Washington Rec. 127) Subsequent meetings were held on November 4, 1943; November 29, 1943; December 22, 1943; March 15, 1944; March 27, 1944; April 15, 1944; June 12, 1944; and June 24, 1944. (Washington Rec. 127, 128). Mr. R. Douglas Dauterich, industrial relations representative, stated (Washington Rec. 100,101) that the management does "not feel that there is any need for any formalized grievance procedure as between our supervisory forces and the top management of the company." He added (Washington Rec. 101-102):

"We have held those meetings as much as a symbol of the fact that we are reachable as for anything else. We have not, as I said before, entertained this group as the representatives of the supervisory force as a whole. We have not felt any particular obligation to report back to them. We have been courteous to them. We have listened to what they have had to say. We have taken it under advisement."

"In cases we have actually taken some action from management's point of view upon the basis of the suggestions that they have made, but we do not recognize them as representatives of the supervisory group. And, unless we are ordered to do so, we do not propose to recognize them as representatives of the supervisory group. But we will entertain them at any time that they wish to come in."

In July, 1943, the New York Shipbuilding Corporation, agreed to the following policy which was embodied in a statement signed by H. E. Parker, industrial relations manager, and given to the representatives of the sub-foremen:

"Management's Policy Concerning Sub-Foremen"

"The Corporation will recognize a committee of not to exceed three Sub-foremen as a Grievance Committee providing such Committee is elected by the Sub-foremen for such purpose."

"Any dispute, complaint or grievance of any Sub-foreman shall be referred by the Sub-foreman concerned to the Department Head, and any Sub-foreman may be accompanied by one or two members of the Grievance Committee if he so desires. If the dispute cannot be adjusted by the Department Head, the complaint in the same manner may be presented to the Industrial Relations Manager or direct to the General Manager."

The Sub-foremen acknowledge that the Company has faithfully carried out its commitment.

PART THREE
THE STATUS AND PRESENT SITUATION OF FOREMEN
IN AMERICAN INDUSTRY

VIII. THE CHANGING POSITION OF FOREMEN IN AMERICAN INDUSTRY

The last four or five decades have brought important changes in the authority and responsibilities of foremen and in their position in management. These changes have been the subject of many discussions at business conferences and have produced an extensive literature in business publications. The Panel does not presume to make findings concerning the extent to which these long-term and general tendencies have affected conditions in the plants involved in the cases before it or how they have affected the attitudes of the foremen and other supervisors involved in these cases. The Panel, however, is deeply impressed by what seems to be a conspicuous disproportion between the number and seriousness of the individual complaints of foremen put into the record on the one hand and by the evident interest of foremen in organization on the other. It believes that the state of mind of the foremen can be properly understood only in the light of the position of foremen in American industry. Four conditions of great importance seem to stand out:

1. long-term changes in the responsibility and authority of foremen
2. the uncertainty of the foremen concerning their terms of employment and their lack of participation in formulating those terms - in ever sharpening contrast with the opposite trends in the case of the rank and file workers
3. the lag in the adjustment of the compensation of foremen which occurred early in the war
4. the insecurity of the position of individual foremen resulting from the great temporary expansion in the number of foremen in many more plants as a result of the war.

1. Long-term changes in the responsibilities and authority of foremen.

For a long time the responsibilities and authority of foremen have been undergoing a slow change. Time was when the foremen in many plants were independent contractors. They operated only under the loosest type of production schedule. They hired their own men at rates of pay which the foremen-contractors themselves set. Even when the foreman was not an independent contractor, he operated under very loose production schedules. Furthermore, he was allowed considerable latitude in setting the rates of pay at which he hired men and in making changes in both day rates and piece rates. His authority to grant individual increases in compensation was often ill-defined, but it was rarely questioned. Even greater was the foreman's authority over hiring, promotion, demotion, discharge, discipline and his authority to make transfers within his department, to assign overtime, and to permit men to take time off. The foreman did his own hiring. He decided whom to promote or whom to demote, and he discharged and imposed other discipline at will. The doors of plant managers and presidents were in theory open to anyone who wished to complain about the action of foremen, but the open door was rarely entered. In any event it was up to the aggrieved workman to make his complaint to the higher management. The foreman might be overruled, but in his dealings with individual workmen he usually acted on his own

responsibility and he did not have to obtain the approval of a superior before putting his decision into effect.

The independence of foremen was undermined first by the technical and economic requirements of modern methods of production. As manufacturing operations were broken down and placed in specialized departments, the coordination of production among departments became essential. Departmentalized production without well-timed and coordinated production schedules became increasingly serious as idle machines and idle men became more costly. Production under such conditions became intolerable when moving assembly lines were introduced. The routing and scheduling of production in each department so as to obtain the desired overall coordination necessarily deprives departmental foremen of some of their independence and authority to run their own departments. Then some found too that they were held to higher standards of perfection in their output, especially in assembly operations, where the parts had to fit together in the final assembly. These more exacting standards, which the process required, produced important modifications in the duties of foremen. For mass production industries, where the changes here described have been most marked, it is no exaggeration to say that the function of the foremen has changed fundamentally in the last thirty years. Whereas he was formerly an executive with considerable freedom of action, he is now an executor carrying out orders, plans, and policies determined above.

The independence which foremen retained over personnel was not long to endure. The latitude permitted foremen in fixing the compensation of individual workmen and in setting or changing piece rates naturally produced inequalities in the earnings of workmen of comparable skill in different departments. Likewise, the freedom of foremen to act on their own responsibility in hiring, promoting, or demoting workmen, in assigning work, in making lay offs, and in administering discipline produced diversities in labor policies. It was inevitable that management must sooner or later establish central controls over wages, central machinery for setting standards of production and piece rates, central machinery for hiring, uniform policies to govern promotion, demotions, sick leave and sick pay, layoffs, and central review of discipline. Indeed, centralization of policy-making and the development of central controls over the execution of policies have been among the most important trends in the evolution of management during the last forty of fifty years.

Centralization of control over production seems generally to have occurred earlier than centralization of control over wage and labor policies.

Although the ultimate centralization of control over production, wages, and labor policies was inevitable, three principal events have been important in accelerating this development. These were: (1) the first World War; (2) the depression of the nineteen thirties; and (3) the rapid rise of trade unions.

The first World War greatly increased the importance of labor problems. Numerous labor shortages developed and properly qualified men became difficult to find. Labor turnover skyrocketed and was quite commonly 200 or 300 per cent of the average work force.

Frequently adjustments in wage rates were necessary to meet the rapidly rising cost of living. Trade union membership in the United States doubled between 1916 and 1920. The first move of managements to meet these problems was the establishment of a central employment department through which men were hired or at least selected for reference to foremen who requisitioned help. Managements soon discovered, however, that a central employment department was not enough. Specialized personnel departments were established to help higher managements institute company-wide wage and personnel policies. This change meant (1) that the discretion of foremen was narrowed, and (2) that foremen were held to higher standards of performance in dealing with men. For example, although foremen were permitted to discharge from their departments, discharge from the company was made subject, in many cases, to the approval of the superior of the foremen or of the personnel department. Men resigning were given a separation interview in the personnel department before receiving the final installment of their pay. In this way some effort was made to check up on the handling of men by foremen. Some companies instituted shop committees to which aggrieved employees might take their complaints - an additional control upon foremen.

The large layoffs required by the depression of the thirties stimulated the establishment of central layoff policies. Section 7A of the National Recovery Act led to the widespread formation of employee representation plans under which actions of foremen in discipline cases and other actions complained of by employees were subject to review.

Of great importance in affecting the status of foremen was the rapid rise of trade unionism, stimulated first by the National Industrial Recovery Act and later by the Wagner Act. Most managements had been strongly opposed to the spread of unionism, and most foremen had reflected the opposition of higher management. When unions won elections, were certified as bargaining agents, and negotiated trade agreements with business enterprises, a large part of the responsibility of dealing with newly recognized unions and of making trade agreements work fell upon the foremen. In some instances recognition of the union, even though required by law, led the foremen to feel that they had been deserted by higher management. It frequently happened that, during the first year or two under contract with a rank and file union, foremen received little help from higher management in administering the agreement. Sometimes higher management neglected to give foremen copies of the agreement negotiated with the rank and file unions. On occasion a foreman had to obtain a copy of the agreement from a shop steward in his department. Likewise, many managements were slow in developing arrangements for communicating to foremen interpretations of the agreement made by higher management or agreed to by higher management and the union in settling specific grievances. Virtually all agreements provide that the first step in adjusting grievances is for the aggrieved worker or the shop steward or both to take up the matter with the foremen of the department. Instances in which this first step were skipped were by no means infrequent. Overzealous shop stewards in some cases challenged the authority of foremen to run their departments. Some higher managements were prompt and vigorous in backing the foreman; others left him to work out his problems for himself. When renewals of agreements were negotiated, sometimes the foremen had changes explained to them and sometimes they did not. In some companies foremen were promptly given

careful instructions in handling grievances; in other companies, they were not. Great progress has been made in the last few years by managements in correcting the above administrative shortcomings. An appraisal of business literature and of the reports of discussions in conferences on labor relations leaves no doubt that there was a time when these administrative deficiencies were fairly prevalent.

These long-term trends in the foreman's responsibilities and authority may be summarized as:

- (1) a drop in the foreman's authority.
- (2) a drop in the foreman's responsibility for making policies
- (3) a rise in the foreman's responsibility for executing policies.

These trends do not mean that the foreman's job is becoming less exacting or that it can be filled by less competent people. On the contrary, the need for able men in the posts of foremen seems to be growing. The foreman may be given more and more ready-made policies to execute, more and more standard practices to observe in executing them, and more and more help from a variety of service departments, but he is also held to higher and higher standards in meeting production schedules, in maintaining standards of quality, and in dealing with personnel. Furthermore, higher management cannot escape dependence upon the foreman's knowledge of men and conditions and upon the wisdom and fairness of the foreman's judgment. On many matters the foreman may only recommend action, but his recommendations must usually be accepted by superiors who know too little about the circumstances of specific cases to reject the foreman's recommendation. Hence no matter how well conceived the company's production and labor policies may be at the top, they are in fact no better than they become at the hands of the foremen who execute them.

Despite the exacting nature of the foreman's responsibilities, a large proportion of foremen sincerely do not regard themselves as part of management. This is a natural result of the growth of central management and the development of foremen into executors of policies and recommenders of action rather than makers of decisions. The foreman is not ordinarily consulted when the policies that he must execute are formulated, or when the standards that he must observe are drawn up. He often receives his instructions without explanation. Many companies, it is true, have foremen's meetings at which the foremen may ask questions concerning their responsibilities and their problems. Too frequently, however, these meetings are occasions on which foremen hear from their superiors, not their superiors from the foremen. The foreman is more managed than managing, more an executor of other men's decisions and less and less a maker of decisions himself.

The best way to document these observations is through excerpts from articles in business journals and from talks at business conferences which all originated before any of the cases before the Panel arose.

"Industry's Forgotten Man" by Norman G. Shidle and Leslie Peat
in Forbes, May 15, 1940, p. 14.

"Causes underlying the problem are not hard to find. Fast-spreading unionization has brought production employees radically increased wages, collective bargaining as a right, and official grievance procedures which insure the individual a hearing without fear of losing his job. But to foremen, in many cases it has brought lessened prestige (as union representatives dealt directly with high management representatives), decreased authority, increased personnel difficulties, and far less in pay advances than has gone to the men working under them.

Hard Facts to Swallow.

"These changes came right on the heels of depression-born revisions in the status of foremen and assistant foremen which had already been unpleasant to swallow. Even before the collective bargaining procedures of recent years, management itself had modified the absolute monarchism of its lowest rank supervisors by intensified activities of personnel and employment departments. When the depression came along, many foremen and assistant foremen went from the weekly to the hourly payroll. They were laid off on the same basis as production men.

"Later when the pay of production workers began to skyrocket, the pay of foremen failed to keep pace. And more than a few foremen have been wounded in dignity and spirit, as well as in pocketbook, by the increasing intensity of management's attention to the production worker; and the resulting, even though unintentional, lessening of concentration on the status and functioning of the foremen as a management representative."

"When Foremen Joined the C.I.O." by Ira B. Cross, Jr.
(Graduate School of Business Administration, Harvard University, in Personnel Journal (published by Personnel Research Federation), February, 1940, p. 277.

"All in all, the foremen were becoming the "Forgotten Men" of industry. They no longer controlled the employment of the men who worked under them; even if they did recommend the discharge of an incompetent worker, the union usually could get him reinstated; they no longer had a say in the setting of production standards; they were the goats when the employer had to conserve his working capital; their hours of work were sometimes long and irregular; they had no capital; their hours of work were sometimes long and irregular; they had no assured job protection or seniority. In general, they were getting pretty well kicked around by both sides."

"Union For Foremen?" by Frank Rising (former Labor Editor, Business Week) in Personnel, February, 1940, pp. 94-95.

"From foremen themselves, and from some business executive who are very anxious to promote more harmony, we can get some of the complaints:

1. The foreman quite often feels that he is of little importance - just another guy in the shop. True, management praises him constantly as "the key man," gives him tracts to read, talks about him in flowing terms at foremen's club meetings, shows him movies about how to be a real leader. But it changes policy without consulting him, gives him rules to follow and then sometimes fails to back him up in a tough labor relations spot, doesn't ask for and doesn't want his advice.
2. The foreman has to live. He has a wife and family, he wants his cut. During the rush of workers into unions some wages have gone up 20 per cent to 30 per cent. Has the foreman's compensation kept pace? It has not, at least not with any regularity. He is 'caught in the middle' between two great bargaining forces and often feels that he is losing out by being an individualist. (Incidentally, this is the basis for white collar organization, too.)
3. *Rate seller* The foreman is quite often only a temporary gang boss. In some shops which have large seasonal production bumps, a man can be a foreman for awhile, and then return to the bench. He's a member of the gang at heart and by training and even may be a member of the union already. Who can reasonably expect him to shift back and forth from one side to another of a management-labor fence?
4. The foreman actually is an employee, and entitled to come before the Labor Board in that capacity. At least, he is an employee in the same sense that the president of the company is, and the law doesn't define the term. Then, if others are entitled to take action to get job security and wage preferment for themselves, why isn't he?"

"Who Gets Foremen?", Business Week, December 16, 1939, p. 37.

"In the Middle," says Foreman

"The foreman himself argues that the Wagner Act guarantees all employees the right to organize and bargain collectively, and that he is an employee. Furthermore, the foreman has some complaints. He is "caught in the middle" between organized labor and organized management, and feels that he is losing out in the resharing of profits which come from labor agreements. In some places union labor has advanced its wages 10% to 30%, while the foreman has been lost sight of.

Again, the foreman argues that management says he is the savior of the shop, but doesn't back him up. Often the foreman is told to stick to a certain policy in bargaining with union committeemen on grievances, then sees management bow to the labor organization after the latter gets tough and strikes. Result: The foreman has lost most of his prestige in the shop, and a good deal of his faith in management's word."

"Foreman Compensation", National Industrial Conference Board, Studies in Personnel Policy, No. 20, February 14, 1941, p. 1

Introduction

"At present the problem of securing exemption of foremen under the Act seems to be overshadowed by the evergrowing problem of maintaining a fair differential between the foremen's income and that of the workers they direct."

Proceedings of the Fifth Personnel Institute, College of Commerce Conference Series, Ohio State University Publications, Number C-23, p. 12 May 12, 1943

"Mr. W. E. Shurtleff (Apex Electric Mfg. Co., Cleveland, Ohio): I wonder what various firms have done that have foremen on salaries based on a 40-hour week and now are required to work, say a 60-hour week? To the workers, this constitutes a 33 per cent increase, but due to the salary freeze, foremen have been able to get adjustments. As a result, the men are making more than the foremen, and the foremen in a lot of cases want to be demoted to machine operators, or are beginning to kick because they can't get into the union. It is quite a disturbing situation in a lot of plants, and one that will have to be solved."

"What is Management's Responsibility to Foremen?"
by L. Clayton Hill (at that time Vice President of Manufacturing, The Murray Corporation of America, Detroit, Michigan) in Supervision, August, 1940, p. 9.

"... Let us examine some of the conditions which influence the loyalty of the foremen.

Particularly during the last three or four years, management has dealt directly with labor representatives in collective bargaining activities and has thus short-circuited the foremen. Too frequently the management does not keep the foremen advised of policies being discussed with union representatives. Practically no information is given the foremen regarding the progress of the discussions. Even when the policies and agreements are determined by collective bargaining, these are not always explained to the foremen. Quite often they get all their information from the union representative first. This certainly does not build a strong management foremen relationship."

Needs Courage

"Short-circuiting of the foremen may result from any one of several conditions. Possibly it is because he does not know how to handle grievances. He prefers to pass the buck to the Industrial Relations Department because he lacks the courage to handle grievances himself. Maybe the company lacks confidence in him and encourages him not to play with fire. Or, in many instances, the policy involved is one requiring top management's decision. Only in the last instance is short-circuiting unavoidable."

"The Foreman's Place in an Employee Educational Program"
by L. A. Appley - "The Role of the Supervisor in Labor
Relations" by T. G. Graham, A. B. Gates, and L. A. Appley,
American Management Association, in Personnel Series, Number 33,
1938, pp. 27-28

"Specialization and functionalization had been developing over a period of years, but with the depression came the opportunity for tremendous emphasis. Specialists suddenly sprang into being. Special surveys were conducted, and in each case the center of attack seemed to be the foreman or the supervisor - simply because he was in a position where all the activities of the organization were coordinated for the workers, and because through him final instructions were conveyed to the workers.

"Such specialization began to focus its attention upon the individual activities for which the foreman was responsible. The magnifying glass was directed on his methods of selection, his planning, his coordinating his costs, his handling of materials, his stores, his direction of employees, etc. Naturally, with individual devoting full time to the consideration of specific features of the foreman's work, weaknesses were found. Any one of the specialists could have performed the particular activity which he was studying better than the foreman, but in some cases consideration was not given to the multiplicity of the foreman's functions. Therefore, the reaction began to develop that these things had to be done for the foreman, and one by one his responsibilities were slowly taken away from him."

Foreman's Loss of Prestige

"As a result there were many instances where the foreman became nothing more or less than an inspector. He lost prestige, influence, and authority. If that were the case, then does it not seem perfectly natural that when the labor crisis came the foreman was looked upon as an insignificant part in the picture? In the development of improved labor conditions over the past few years the tendency has been to appoint special representatives of the workers for direct dealing with top management - despite the fact that the foreman has the closest contact with the workers and is both their representative and the representative of management."

"The Foreman and the Union by Don D. Lescohier, Personnel
August, 1938, p. 19

Short-Circuiting the Foreman

"Why should a foreman have this power and duty? The answer is, because no one should come between him and his men. If he is to maintain an efficient, properly cooperating body of men in his department, the contacts of those men with the company must be continuously and almost completely through him. If the union can short-circuit him by going to the top management, his prestige in and control over his department are seriously weakened. The same thing is true if the top management short-circuits him by keeping all contacts with the union, including adjustments, in his own hands.

"Top management, especially in industries newly organized, is very apt to do exactly this, partly because foremen are so often inexperienced in dealing with unions or lacking in definite training that would fit them to handle, in cooperation with the union, the problems which arise in their departments. It is also in part due to an excessive confidence on the part of top management in its own ability to handle industrial relations matters, and to an overestimation of its own and an underestimation of its foremen's knowledge and understanding of these problems. Sometimes, of course, the top management is so baffled by the labor problems with which it is confronted that the head executives cannot believe that a subordinate might be able to solve such problems. Yet oftentimes that is so.

"It is neutral for the union to short-circuit the foremen (i.e., to go directly to the seat of power without stopping to negotiate with subordinate executives) especially if the foremen lack the power to say "yes" or "no". Unions will be willing to negotiate adjustments with foremen only if such a procedure is the clearly stated and firmly enforced policy of the company and if the foremen have the power to get down to brass tacks with the union and to make settlements."

"Changing Functions of the Foreman", by Albert L. Kross
(Assistant to the President, Republic Aviation Corporation)
Better Industrial Relations for Victory, Proceedings of the
Twenty-sixth Silver Bay Industrial Conference. National
Council of the Young Men's Christian Associations, 1945,
pp. 122, 123.

"The whole question of the foreman's responsibility and authority - hiring, discipline, firing - is no simple problem to-day. The fact that the foreman no longer has the time to do his own hiring, coupled with present legislation and executive orders relating to manpower, tends to complicate the problem of building up the foreman as manager of his own department.

"In many plants, the foreman still has responsibility, but there is being set up a corps of experts to decide a lot of things he used to decide -, such as upgrading, wage rates and so forth. Even on the procedure of discharging an employee, instead of the foreman's telling a man that he is through, the employee may be called into the Industrial Relations Department, where the foreman tells his side of the story and for initiating the action still lies with the foreman, but he is not empowered to take direct action on a release.

"The important thing is to get the line organization to understand its available in the way of expert assistance and then to make use of it effectively. Certainly, the management does not want to take away from the foreman responsibility or authority for making decisions at the point where they should be made; but, because the picture has become so complicated, it has been the trend in modern industry to develop staff organizations that will make available to foremen and others in the line organization specialists in particular fields to help them, such as time- and rate-study men."

2. The uncertainty of the foremen concerning their terms of employment and their lack of participation in formulating those terms. Foremen have observed the increasing definiteness with which the terms of employment and working conditions are specified by contract for the rank and file workers. Many foremen have been promoted during the War from the rank and file where such conditions existed. As foremen they found uncertainties concerning their rights and prerogatives. The rules or policies governing sick leave, vacations, promotion, transfer and demotions were often not in writing and were inadequately understood. They were sometimes not explained. Grievances typically had to be presented personally and without the assistance of a steward or the support of an organized group. This situation could be compared with the effective grievance procedures for the organized rank and file. The fact that all foremen were not treated alike aroused suspicions of discrimination and a feeling of insecurity. The lack of assurance that there were uniform rules uniformly applied was a source of dissatisfaction.

The foremen had little or no participation in determining the terms of his employment, nor did he have any representative speaking up for him in the councils of management to press his case. If such occurred, it was more likely a considerate superior than an interested representative. The whole relationship of the foremen to higher management was too remote to inspire a sense of participation either in determining his own terms of employment or in formulating policies which he was obligated to execute.

This combination of conditions did not inspire self-respect nor lend dignity to the position of foremen.

3. The lag in the adjustment of the compensation of foremen which occurred early in the war. The war, with its large orders from abroad, its large orders from the American defense program, and eventually its enormous orders from the American war program caused the rank and file employees in most industries to work a large amount of overtime at one and a half times or even two times the regular rate. Foremen also were required to put in long hours of work. Many plants, however, had not made it a practice to pay overtime to foremen who were compensated by the month rather than by the hour. The foremen's stretches of overtime work were expected to be short and not to involve many extra hours. It was indicated that the foremen, however, had the advantage of ordinarily being kept on during hard times when rank and file employees were being dropped. The war, however, created a new situation for which the policies of many companies were not adapted. Eventually these policies were modified by many employers to include extra compensation to salaried foremen for overtime and Sunday work and in many instances for work on night shifts. Compensation for overtime and night work in many plants did not begin until foremen had put in large amounts of overtime and night work over a period of some months. A lag in the compensation for overtime and night work seems to have been important in arousing the interest of foremen in organization in 1942. A table setting forth the date at which the various companies involved in these proceedings began to compensate foremen for overtime is given with the conclusions of the Panel in Part Five of this report.

4. Insecurity in the position of individual supervisor resulting from the great temporary expansion in the number of foremen as a result of the war. The war has required a great increase in the number of supervisors in many plants engaged in war work - particularly plants in the metal working industries. Most of the new supervisors were promoted from the rank and file employees in the same plant. Many of them (probably most of them) had belonged to unions of rank and file employees. Many of the new supervisors, especially in the shipyards still keep up their membership in the rank and file unions and are even prominent in the affairs of the rank and file unions. Some of the present foremen had previously played active parts in the rank and file unions as shop stewards or as members of grievance committees.

The end of the war will see a substantial shift of employment out of manufacturing, and especially out of the metal working industries into other branches of industry. This will mean a great reduction in the number of foremen in many plants now engaged in war work. The reductions will vary widely from plant to plant, but reductions of half or more than half will not be uncommon. In some plants involved in the cases before the Panel more than half of the supervisors will be laid off or demoted.

The prospective reduction in the number of supervisors has introduced great insecurity into the lives of all foremen, both new and old. No one knows which supervisors will be kept after the war. The man of long service fears that he may be dropped in favor of younger supervisors with shorter service. As the end of the war approaches, the concern of supervisors over their future status naturally grows. They do not wish the policies which will govern the layoff, demotion, and transfer of foremen to be decided without their being consulted. Furthermore each supervisor wishes an ample opportunity to present his case in the event that he is selected for demotion or layoff. And yet in some companies the prospect is that the layoffs, demotions and transfers of supervisors will be made by top management with little or no consultation with supervisors and with little or no opportunity for them to present grievances arising from layoff, demotion, or transfer.

IX. THE POLICIES OF TRADE UNIONS TOWARD THE ORGANIZATION OF FOREMEN AND THE EXTENT TO WHICH FOREMEN HAVE BEEN ORGANIZED BY UNIONS OTHER THAN THE FOREMAN'S ASSOCIATION OF AMERICA.

Organization of foremen and other supervisory employees is not new. Although most unions of rank and file employees require members who become foremen to take out retiring cards and refuse to admit foremen as new members, foremen for many years have belonged to a few unions of rank and file employees. In some cases affiliation of the foremen is voluntary; in other cases it is compelled by the closed shop. Supervisory employees of rank similar to that of foremen or higher in a few industries have unions of their own.

A study of 186 constitutions of international and national unions by the U. S. Bureau of Labor Statistics, published in Bulletin No. 745, entitled "Union Membership and Collective Bargaining by Foremen" reveals that:

- 37 of these unions specifically exclude supervisors and foremen from active membership
- 29 unions, on the other hand, either permit or require foremen to be members
- 9 long-established unions (these, of course, do not include the Foreman's Association of America) are composed solely of persons of foreman and supervisory ranks

In addition a few unions, which are made up in the main of rank and file employees, have locals composed exclusively of foremen.

The constitutions of about 120 international and national unions do not mention foremen. The investigators of the Bureau of Labor Statistics conclude that "presumably most of these exclude foremen from membership, although some of their locals may include foremen in the absence of a constitutional provision debarring them."1/ Some unions which exclude foremen from active membership permit them to take out withdrawal cards and to retain death benefits or other insurance benefits. The definitions of excluded supervisory personnel vary in the different union constitutions. Usually the test is whether the supervisor has authority to hire and fire or whether he ordinarily initiates hirings or discharges by making recommendations which are usually followed. "Working foremen" and "gang leaders" are usually permitted to retain their membership because they do not have the authority to hire or fire or at least do not have the responsibility of initiating hirings or discharges.

The following unions exclude foremen from active membership:

American Federation of Labor

Asbestos Workers, International Association of Heat and Frost Insulators
Coopers' International Union of North America
Glass Bottle Blowers' Association
Glass Workers' Union, American Flint
Longshoremen's Association, International
Luggage, Belt and Novelty Workers Union, International Ladies Handbag
Maintenance of Way Employees, Brotherhood of
Meat Cutters and Butcher Workmen of North America, Amalgamated
Polishers, Buffers, Platers and Helpers' International Union, Metal
Retail Clerks' International Protective Association
Stonecutters' Association of North America, Journeymen
Street and Electric Railway and Motor Coach Employees of America, Amalgamated
Association of
Tobacco Workers' International Union

1/ U.S. Bureau of Labor Statistics, Bulletin No. 745, p. 6.

Congress of Industrial Organization

Architects, Engineers, Chemists and Technicians, Federation of
Automobile, Aircraft and Agricultural Implement Workers of America, United
Clothing Workers of America, Amalgamated
Communications Association, American
Federal Workers of America, United
Gas, Coke and Chemical Workers, United
Hosiery Workers, American Federation of
Longshoremen's and Warehousemen's Union, International
Marine Cooks' and Stewards' Association of the Pacific Coast
Marine and Shipbuilding Workers of America, Industrial Union of
Newspaper Guild, American
Office and Professional Workers of America, United
Oil Workers and International Union
Paper, Novelty and Toy Workers International Union, United
Retail, Wholesale and Department Store Employees of America, United
Rubber Workers of America, United
Shoe Workers of America, United
State, County and Municipal Workers of America
Steelworkers of America, United
Textile Workers Union of America
Transport Service Employees of America, United
Transport Workers Union of America

Unaffiliated

Brewery, Flour, Cereal and Soft Drink Workers of America, International Union
of
Firemen and Enginemen, Brotherhood of Locomotive

The following unions include both Foremen and Production Workers:

American Federation of Labor

Barbers, Hairdressers and Cosmetologists' International Union of America, the
Journeyman
Blacksmiths, Drop Forgers and Helpers, International Brotherhood of
Bookbinders, International Brotherhood of
Bricklayers, Masons and Plasterers International Union of America
Carpenters and Joiners of America, United Brotherhood of
Cigarmakers' International Union of America
Fire Fighters, International Association of
Hatters, Cap and Millinery Workers' International Union
Lathers, International Union of Wood, Wire and Metal
Leather Workers' International Union, United
Lithographers of America, Amalgamated
Molders and Foundry Workers Union of North America, International
Painters, Decorators and Paperhangers of America
Paper Makers, International Brotherhood of
Photo-Engravers Union of North America, International
Plasterers' International Association of the United States and Canada,
Operative
Potters, National Brotherhood of Operative
Printing Pressmen's and Assistants' Union of North America, International
Stereotypers and Electrotypers' Union of North America, International
Switchmen's Union of North America

Congress of Industrial Organizations

Glass, Ceramic and Silica Sand Workers of America, Federation of
Mine, Mill and Smelter Workers, International Union of
Stone and Allied Products Workers of America, United

Unaffiliated

Machinists, International Association of
Mine Workers of America, United
Railroad Signalmen, Brotherhood of
Railroad Trainmen, Brotherhood of
Train Dispatchers, American Association of
Typographical Union, International

The following unions are composed solely of foremen and supervisors:

Maritime Unions

National Marine Engineers' Beneficial Association (C.I.O.)
National Organization Masters, Mates, and Pilots of America (A.F. of L.)
United Licensed Officers of the United States of America (A. F. of L.)

Railroad Unions

Railroad Yardmasters of America
American Railway Supervisors Association, Inc.

Government

National Association of Master Mechanics and Foremen of Navy Yards and Navy
Stations (A. F. of L.)
National Association of Postal Supervisors
National League of District Postmasters of the United States
National Council of Officials of the Railway Mail Service

Foremen's Locals

Textile Foremen's Guild, Paterson, New Jersey, Local of the Textile
Workers Union (C. I. O.)
Supervisors of Mechanics (A. F. of L. Railway Labor Department)

Obviously there is an important distinction between foremen being organized by the rank and file, in fact being compelled in some instances to join a union of the rank and file, and the foremen organizing unions of their own. The importance of this distinction was recognized by Chairman Millis of the National Labor Relations Board in his dissenting opinion in the Maryland Drydock case. In the printing trades and in many of the building trades the foremen are required to belong to the unions of the rank and file. In the printing trades this requirement goes back to 1889. In both of these branches of industry the closed shop is the general rule in union contracts. The rank and file wish to have the foremen in their unions so that the foremen will be subject to the rules and discipline of the unions. Unfortunately the experience of the printing trades and building trades with the requirement that foremen belong to the rank and file unions has not been exhaustively studied. Following are several comments upon this experience.

Mr. Robert K. Burns, in his study of collective bargaining in the newspaper industry says:^{1/}

"In the printing trades foremen usually acquire the experience necessary for their jobs only by having worked as journeymen; consequently 'they have a definite bond of experience and understanding with their fellow craftsmen,' as a union spokesman put it. The requirement that they be union members is also attributable to the number and complexity of trade regulations. The unions contend that a foreman who is a union member, while recognized as the representative of management, is at the same time better acquainted with union rules and their enforcement, and thus is able to manage employees with the least friction. They argue that a foreman can better present the employer's side to his fellow workmen without being suspected of hostility to the union. Union foremanship is also important in assuring the unions that no nonmember will be employed on union work. In the commercial branch of the industry particularly, foremen are frequently 'working foremen,' or at least take a hand in emergencies.

"In early years, many publishers were strongly opposed to having their representatives owe allegiance to the union. As contracts became more inclusive, however, and right of both employers and unions more clearly defined, publishers in general ceased to object to the foreman law. They are now chiefly concerned lest foremen should be subject to union discipline for differing with the local union in the interpretation of the terms of a contract. The internationals generally recognize the justice of the publishers' position and a method is provided for the joint settlement of such disputes. The unions do not, however, forego their right to discipline foremen for disobeying laws relating to internal union matters, or for deliberately disregarding union rules. Although there is still occasional complaint that some locals attempt, by disciplining foremen, to enforce conditions not provided for in contracts, the practice is not so common as to constitute a major issue.

"The foreman represents the employer in dealing with grievances arising in his department. He settles many day-to-day grievances and complaints with the chapel chairman, with recourse to the joint standing committee or to arbitration. A complaint by a union member is taken up by the chapel chairman, who is the administrative agent of the union in each office. If he and the foreman disagree, the issue is considered by the executive committee of the local union. If the union and the foreman or publisher still fail to agree, the matter goes to the joint standing committee, and eventually may be taken to arbitration for final settlement."

Miss Emily Brown, in her study of collective bargaining in book and job printing says:^{2/}

1/ The twentieth Century Fund, How Collective Bargaining Works, pp. 67-68.

2/ Ibid., footnote, p. 147.

"In book and job printing the union membership of foremen is so thoroughly established that it does not become an issue except occasionally in a newly organized plant. It is clearly recognized that the foreman's first responsibility is to management. His duty to the union is to administer the agreement fairly in the plant. There are advantages in this system in that the foreman, necessarily a skilled man himself, is thoroughly acquainted with the problems of the men and with the union agreement and rules. He is in good position, therefore, to interpret the union's position to management, and vice versa. However, the fact that he may be disciplined by the union, if the union considers that he has violated the agreement or a union rule, is a source of difficulty in some cases. Fear of union discipline sometimes interferes with a foreman's efficiency, although the strong foreman is little affected. There is in some cases a need for more thorough protection of foremen from union discipline for carrying out office orders, pending determination of an issue through the negotiation or arbitration machinery."

Mr. William Haber in his study "Industrial Relations in the Building Industry" says: 1/

"The employer objects to such rules (regulating foremen's work) chiefly because the union reserves the right to discipline the foreman for his conduct on the job. A foreman convicted of 'rushing' is subject to stricter discipline than a worker guilty of the same offense. His activities on the job are often subject to review by the union; workers may file complaints against him. Conviction results in suspension from foreman's duties for a period of time, a fine, and frequently even suspension from the union. These limitations on the foreman's power restrict his supervisory initiative and deprive the employer of much of the value of his service. Recently, by giving the right of reviewing a foreman's activities to a joint trade board, this objection has been partly met."

Although the unions in the printing trades and in many of the building trades require that the foremen belong to the union of the rank and file, all of these unions regard foremen as representatives of management and subject to removal and discipline by management without recourse by the union or review of management's decision by a neutral. In other words, these unions do not treat discharge or discipline of their foremen members as a grievance of the union. A few local unions in the printing trades have negotiated wage or salary scales for foremen, but such scales are exceptional. The view of the unions in the printing trades appears to be that the foremen are capable of negotiating their own differentials above the scale of the rank and file. In other words, membership of foremen in the unions of rank and file workers in the printing trades and the building trades has not as a general rule meant collective bargaining for the foremen. Indeed it has meant something very different--an attempt of the rank and file to protect the interest of the rank and file by the exercise of limited control over the foremen.

1/ Industrial Relations in the Building Industry, by William Haber. Cambridge, Harvard University Press, 1930, p. 218.

In the railroad industry some of the rank and file unions include foremen. The relationship between the foremen and the rank and file unions appears to be very different in the railroad industry from that in the printing trades or the building trades. The rank and file unions bargain for foremen and include conditions for foremen in their agreements. Furthermore, the rank and file unions in the railroad industry appear to be less interested than the unions in the printing trades or building trades in controlling the foremen. It is a criminal offense for a carrier subject to the Railway Labor Act to sign a closed shop agreement with a labor organization. The absence of the closed shop in the railroad industry means that the unions of the rank and file are less able to discipline foremen than are the unions in the printing trades or the building trades. The National Mediation Board, in determining bargaining units, has usually accepted "class" or "craft" with whatever inclusions or exclusions have become the general practice in the industry. The Board does not seem to have faced the propriety of supervisors belonging to the unions of the men whom they supervise.

In both the railroad industry and the maritime industry there are several unions composed exclusively of supervisors, such as the Railroad Yardmasters of America, and the National Organization Masters, Mates and Pilots of America. The former union is not affiliated with either the A. F. of L. or the C. I. O.

X. PROCEDURES AVAILABLE TO FOREMEN FOR THE SETTLEMENT OF GRIEVANCES IN PLANTS NOT INVOLVED IN THESE DISPUTES

The Foreman's Association of America has established grievance procedures in three enterprises not involved in cases before this panel - the Detroit Lubricator Company, the Ford Motor Company, and the United Stove Company, of Ypsilanti, Michigan.

1. The Detroit Lubricator Company. No written contractual arrangements for handling grievances exist at this company because the organized foremen and the management get on satisfactorily without them.

2. The Ford Motor Company. The contract with the Ford Motor Company, signed May 9, 1944, provides grievance machinery for the first time in the relations between the company and the F.A.A., although agreements governing wages and the classification of supervisors extend back to November 5, 1942.

The Ford Contract provided for three plant-wide representatives for each plant and a chairman for each shift to represent supervisory employees in the settlement of grievances. Provision is almost made for a Company Committee of three with authority to render decisions binding upon the Company and for an Association Committee of three with authority to render decisions binding upon the Association. These two Committees together constitute a Joint Committee meeting fortnightly or on call. (X)

Under the Ford Agreement a foreman charging a violation of the agreement must first attempt to adjust the matter within his department. If the foreman fails to obtain a satisfactory adjustment, the issue may be considered a grievance and may be submitted to the superintendent for disposition. At this time the aggrieved foreman may have the services of his Chairman, who must present the grievance in writing. In the event of an unsatisfactory decision by the superintendent, the written grievance may next be taken up by a Plant-wide Representative for negotiation with the Superintendent or with the Foreman's Personnel Office of the Company. The decision of the Foreman's Personnel Office may be appealed in writing to the Joint Committee. If the Joint Committee fails to dispose of a case within ten working days after first considering it, either Committee may ask for an impartial person to meet with the Joint Committee to act as Temporary Chairman for purposes of reviewing the case and casting a deciding vote. The head of the Labor Relations Department of the Company and the national president of the Association have authority to decide whether a Temporary Chairman will be called in and, if so, to select the person; but failure to agree upon a Temporary Chairman within two weeks is considered to exhaust the grievance procedure.

In cases of discipline handled in the first instance by the District Labor Relations Office, the foreman is given the opportunity to appear and be heard, and the right to be represented by this Chairman if he so desires. Disciplinary action which he considers a violation of the Agreement, he may appeal to the Foreman's Personnel Office with the assistance of his Plant-wide Representative. Similarly,

disciplinary cases which go to the Foreman's Personnel Office in the first instance may be handled by the Plant-wide Representative and unsatisfactory decisions may be appealed to the Joint Committee.

The Procedure in the Ford Contract is limited to grievances growing out of unfair treatment in violation of the Agreement. It allows the foreman to be heard and to be represented by his Chairman, his Plant-wide Representatives, and eventually by his Association Committee. Report to an impartial referee as Temporary Chairman of the Joint Committee, however, depends upon the willingness of the Head of the Labor Relations Department of the Company and of the national president of the Association to select such a referee and their ability to agree upon the person. It will be noted that this is considerably short of the request repeatedly made before the Panel for a grievance procedure terminating in arbitration.

This grievance procedure has been in operation too short a time to determine how effective it will be. It has undoubtedly afforded an orderly way for the settlement of grievances, but inexperience and suspicion have impeded adjudication. On July 20, 1944, the grievance procedure was ignored when foremen, protesting the sudden demoting of 23 foremen, caused a work stoppage. The stoppage occurred among foremen in the Pressed Steel Building and the Rolling Mill of the River Rouge Plant. About 1100 workers in the Pressed Steel Building had been laid off in the previous two or three months. In the hope that business would recover, the company had laid off no foremen. Some of the foremen, including some of their leaders, were apparently under the impression that the Ford Company was not permitted under its contract with the Foreman's Association to reduce the number of foreman without consulting with the Association. The foremen did not leave the building. They gathered in the office of the superintendent to protest. The failure to give notice to the foremen aggravated the situation.

The Ford Company has about 9,000 foreman in all. Between July 3, 1944, and early in October, 1944, a representative of the company told the technical assistants of the Panel that the company had demoted 1,023 foremen. The company has established the Foremen's Personnel Office to which has been transferred the powers which the superintendents had over the discharge, promotion, and demotion of foreman. The Foreman's Association reports that in 465 demotion cases seniority was followed in 391; in 74 cases the ability clause was invoked. In 12 of these cases the foremen, demoted on account of lack of ability, accepted the company's position. Of the remaining cases, 33 were appealed to the Joint Committee which adjusted 4 and failed to reach adjustment in 29. In addition to the demotion cases there had been about 140 other grievances handled by the grievance machinery in the Ford Company during July and August and September, 1944. Nine out of ten of these cases were adjusted by the Foremen's Personnel Office or below. A representative of the company reported to the technical assistants of the Panel that early in October the Ford Company had agreed to send seven cases to the umpire.

The miscellaneous grievances include cases of foremen discharged or disciplined for drunkenness on the job, for habitual lateness or absenteeism, gambling, loafing, smoking, failure to produce, permitting

rank and file employees to break company rules, or permitting employees to loaf. A grievance originating with the United Automobile Workers may become a foreman's grievance. For example, the United Automobile Workers may charge a foreman with smoking at his work. If the union wins the case and the foreman is disciplined, the foreman may start a grievance on the ground that the decision was wrong or on the ground that the discipline was too heavy.

3. The United Stove Company of Ypsilanti, Michigan. A contract between the Foreman's Association of America and this company was signed on September 5, 1944. This contract establishes an Association Committee of two foreman with authority to bind the Association. The grievance procedure is limited, however, in that it provides merely that any difficulties arising between the Company and the Association or any of its members, shall be settled between (1) any member of the Association and the General Superintendent, (2) between the Association spokesman and the General Superintendent or (3) between the Association Committee and the Plant Management. Promotions and demotions deemed unfair and in violation of the Agreement, unreasonable discipline, and any difficulties arising between the Company and the Association or any of its members are to be determined by the procedures stated. There is no formal provision for a joint committee, review board, or impartial referee. (Detroit Rec. 3914)

PART FOUR

FINDINGS IN SPECIFIC CASES

XI. AERONAUTICAL PRODUCTS, INC.

1. Background. This corporation manufactures precision aircraft engine parts. It is a relatively new organization (since 1936) and as an industrial unit in the Detroit area it is small. (Detroit Rec. 3305, 3306) All of its principal officers have been foremen. (Detroit Rec. 3305) The Company has had cut backs resulting in a decrease of its personnel. In peak production in March 1943 it employed 1445 rank and file workers and 35 foremen, whereas on June 14, 1944 its workers were 990 in number supervised by 24 foremen (Company Exhibit 1)

Between May 1 and May 8, 1944, several foremen of Aeronautical Products, Inc. were discharged. Efforts of the foremen to discuss these cases with the management were unsuccessful. The foremen struck on May 9 and remained out until May 17. The date on which these foremen were chartered by the Foreman's Association of America is given as May 6 or 8 (Detroit Rec-281) and May 12 (Statement of the Association, 18). Certain of the striking foremen were not taken back to work and others were given production jobs. (Company Exhibit 11) The case was referred to the Regional Board which worked out a settlement. (Company Exhibit 12) Other grievances concerning differential rates of pay, transfers, and related matters were presented to the Panel.

2. General level of compensation. There is no grievance as to rates of pay and the foremen so concede. All foremen are hourly rated (Detroit Rec. 267) Mr. Goodman, the principal witness for the Association, and its president (Detroit Rec. 272) said:

"The foremen at Aeronautical do not have an underlying or a determining or burning dissention shall I say, or ill feeling against the Company for their rates of pay . . ." (Detroit Rec. 286)

Again he expressed his satisfaction with the rates (Detroit Rec. 288), and asserted there was dissatisfaction because of the small differential between the sum paid to a foreman and the earnings of some of the men under him. (Detroit Rec. 288)

On behalf of the Company it was shown that a job description of foremen had been prepared. This was used in connection with an application for a wage increase filed with the Regional War Labor Board at Detroit in February 1944. (Detroit Rec. 3307; Ex. 2) The application assigned as the principal reason for the requested increase that a new rate scale for workers had been established as of November 25, 1944, and that to maintain a proper ratio between the earnings of the foremen over the top production workers under them, it was necessary to increase the rate ranges for foremen. The plan proposed was for each of twenty departments. The amount of pay of the supervisors was to vary in accordance with the skill, training and experience of the foremen. The Company asked permission to adjust rate ranges of supervisors so that a differential of 25 cents per hour over the earnings of the top production worker might be paid, and set out in exhibit form a schedule showing the straight-time hours and earnings of the highest paid worker in each department. The application was granted, and new rate schedules were set up and made retroactive to January 1, 1944.

The lowest scale is in Department XIII (coupling), where the range is \$1.20 to \$1.40 per hour, and the highest in Department X (Tool Room), where the rate is \$1.70 to \$1.90 (Company Exhibit 4).

3. Differential between earnings of supervisors and earnings of production workers under them: Witness Goodman had no complaint against rates but did complain that a foreman having the responsibility of a department received only 10 cents an hour over his set up man (Detroit Rec. 288); yet he admitted that there was a fair differential maintained at Aeronautical. (Detroit Rec. 287) The witness on cross examination admitted that he was the foreman that he referred to as receiving only 10 cents an hour over his set up man (Detroit Rec. 318), who was the highest rated man in the department. The evidence of the Company is positive. Miss Burns, its labor relations counsel, testified that the rate range for foremen is exactly 25 cents per hour above the rate range for the top production worker in the department. (Detroit Rec. 3312) It might be possible that a new foreman in receiving the lowest rate in the scale received only 10 cents above a worker who was getting the top figure in his range, and this in part explained Mr. Goodman's situation. He was a new foreman when the ranges were established and in a small department which has since expanded to require a job setter. On July 1 Mr. Goodman received an increase. (Detroit Rec. 3316, 3317) Witness Burns said that the Company knew that, when the rank and file received a raise, there would be a sore spot as to the differential and hence a new differential was applied for. (Detroit Rec. 3383) Since the adjustments were made early this year, no complaints have been received, except the "point" Mr. Goodman made, and except those which might arise over new jobs not evaluated by the War Labor Board. (Detroit Rec. 3383) The witness ascertained the differential, as of the date of hearing, between Mr. Goodman's rate and the highest paid worker in his department; she reported that Mr. Goodman's rate was \$1.60 an hour and the highest worker received \$1.35--a 25-cent differential.

The Panel finds no important grievance at Aeronautical Products Corporation because of the differential in pay as between supervisors and men reporting to them.

4. Bonus on night shifts. Foremen, as well as rank and file receive a 5-cent an hour bonus for working on the afternoon and evening shifts. (Detroit Rec. 271, 3315) There is no grievance over bonuses for night shifts.

5. Overtime. There is no problem regarding overtime. All foremen are on hourly rate and receive time and a half over eight hours in any one day, over 40 hours in one week and for Saturday if it is the sixth consecutive day, and double time for Sunday if it is the seventh consecutive day worked. (Detroit Rec. 270) In so far as overtime is concerned supervisors receive the same treatment as do the rank and file, and are governed by Executive Order 9240. (Detroit Rec. 270, 3313) For holidays they receive time and one half. (Detroit Rec. 3313) The Company said it paid a supervisor time and a half for Saturday, even if he had not worked 40 hours in the preceding work week. The foremen receive all of the benefits of Executive Order 9240 while being relieved of some of its requirements. (Detroit Rec. 3314)

6. Sick leave. There is no sick leave plan either for foremen or for the rank and file. (Detroit Rec. 271). The Panel has expressed its views on sick leave in Section XXVI.

7. Vacations. There is an annual bonus plan in lieu of a vacation. It is based on seniority, plus hours worked. (Detroit Rec. 3314) An employee who has worked eight months receives 16 hours pay, and thereafter the hours allowed increase in accordance with length of service. An employee of five or more years of service receives 80 hours. This plan is the same as that in effect for the rank and file. (Detroit Rec. 3315)

8. The issue of seniority. This subject is intimately related to grievances. While transfers and discharges were discussed, the foremen presented little direct testimony as to seniority as such. In fact, Witness Goodman rather indicated that supervisors should be paid according to ability. (Detroit Rec. 287) The Company, however, clearly expressed its position on the weight to be accorded length of service in making transfers of supervisory personnel.

While the contract between the Company and the rank and file union (C.I.O.) makes no mention of the seniority of demoted foremen, both the company and the unions recognize a foreman's accumulated seniority, if he had been previously a member of the union. (Detroit Rec. 3327) If he was a member of another union, he will be accorded seniority if his union is pledged to the principle of reciprocity. If a demoted foreman had never been affiliated with the C.I.O., his seniority would not be accepted. (Detroit Rec. 3327) The Company asserts that training, seniority, and ability being equal, seniority has been generally recognized; it is likewise recognized as to shifts. (Detroit Rec. 3397) The Company opposes making seniority an absolute or a controlling factor in the promotion or demotion of foremen. (Detroit Rec. 3397) The management fears that straight seniority would lessen initiative among foremen, as it has, according to the Company, among the rank and file where even absolute seniority does not prevail. (Detroit Rec. 3398).

It should be said that the length of a foreman's vacation (i.e., in this Company being the number of extra hours for which he receives pay) is determined by his length of service. (Detroit Rec. 3327).

After the foremen's strike, the status of those foremen for whom no supervisory posts were available created an issue between the Company and the Local C.I.O. (Detroit Rec. 3362) The Local C.I.O. proposed that any demoted foreman be reinstated to any post or shift to which his union seniority entitled him. There were six such foremen. The C.I.O. argued that a foreman with no previous union membership must be laid off when no longer needed as a foreman. The Company did not agree, whereupon the union issued a supplementary statement, i.e. that all striking foremen who were to be demoted be relegated to the bottom of the seniority list. The Company had not acted upon the supplemental proposal at the time of the hearing. It asserts that the union should waive its strict interpretation of the seniority clause as against demoted Foremen Murdock and Meaddough who had no service as production workers. The problem was complicated because,

according to the C.I.O., two hundred production workers had been laid off. (See Detroit Rec. 3362, 3367; Company Ex. 12) All demoted men seem to have been working on the day of hearing. (Detroit Rec. 3367)

The Panel's conclusions regarding seniority are given in Chapter XXVII and Chapter XXVIII.

9. Promotions, demotions and discharges. One of the matters which most concerned the foremen was the alleged ill treatment of foremen prior to and after the strike. Instance after instance is referred to, and those which took place rank as a department head - a grade above that of foreman. This happened about ten days before the hearing, at which time a man named Tagg was assuming the duties of a foreman in two departments. (Detroit Rec. 253, 254) The gist of the complaint seems to be that Tagg was working as a foreman without a foreman's badge. (Detroit Rec. 253) The evidence for the Company is that Mr. Tagg was an efficiency production man, and when a foreman quit, he was put into a department to study a bottleneck and to report. There was no change in his badge although he was acting as a foreman. (Detroit Rec. 3400)

Chester Murdock, the foremen say, was called into the office and given two weeks notice of discharge. (Detroit Rec. 274) A committee of two members of the Association was first informed that Murdock was fired for running scrap. The committee then went to see Mr. Ward, a recently hired plant manager, who told them that Murdock was a good mechanic, but not a good supervisor. (Detroit Rec. 275) The witness expressed the belief that Mr. Ward, because of his short time with the company, was not in a position to judge whether Mr. Murdock was a good supervisor. A Mr. Tanner had been brought in for training in the department and later took over the mill and drill departments of which Mr. Murdock was foreman. (Detroit Rec. 275) The incident, it is said, agitated the shop foremen. (Detroit Rec. 276) The instance was adduced by the foremen, not to secure the reinstatement of Mr. Murdock, as his case as a disciplinary discharge had been certified to the National Labor Relations Board (Detroit Rec. 277), but to show the arbitrary nature of a discharge at Aeronautical Products, Inc.

The Company claimed Mr. Murdock was not a good supervisor; that he was not discharged, but was given two weeks' notice of a demotion. (Detroit Rec. 3379) He was offered top rate as an all around set-up man, and in the alternative he was extended an opportunity to learn the aircraft work on the helicopter. (Detroit Rec. 3360) He seemed to be in favor of taking the helicopter work, but went out on strike. When he returned, he accepted a set-up job; and there has been no complaint on his part. The local C.I.O., however, has asked that he be discharged (Detroit Rec. 3381), as he has no seniority rating.

It further appeared that Mr. Jackson, the president of the corporation, was deeply interested in the development of the helicopter. He was experimenting with it as a personal hobby, and thought when he offered Mr. Murdock the opportunity of further exploration into the

field he was making it possible for him to advance. When Mr. Murdock spurned his suggestions and struck without notice, he, President Jackson, felt that he had been "stabbed in the back." (Detroit Rec., 3412)

Mr. Goodman said Theodore Galisek and Anthony Elgin were demoted, which with the demotion of Chester Murdock "got the boys thinking" and led directly to the affiliation with the Foreman's Association of America. (Detroit Rec. 281)

10. History of collective bargaining and grievance procedure. The rank and file have a grievance procedure under their contract and the foremen are aware of that. (Detroit Rec. 256) There has been no formal grievance machinery for supervisors at Aeronautical Products, Inc. When three foremen had been discharged or demoted, an effort was made to see Mr. Jackson. Mr. Goodman says all that a committee of foremen wanted to know was whether Mr. Jackson would discuss the problem one way or another. (Detroit Rec. 282) It is indicated that when Witness Goodman told the "boys" that there was no opportunity to speak to Mr. Jackson, the strike occurred. (Detroit Rec. 283) Witness Goodman said (Detroit Rec. 284) that the only time the foremen were able to say anything about their grievance was when each one went in as an individual and took up his personal grievance with the superintendent, the plant manager, or Mr. Jackson. If there was no satisfactory answer, that was the end of the matter. (Detroit Rec. 284) Mr. Goodman described the grievance procedure thus:

"We have no grievance procedure other than standing on your own two feet alone to argue with whomever you have the opportunity or whomever happened to be there in authority at the time--Mr. Jackson, Mr. Ward or Mr. Marlow, that is the president, the general manager, or the superintendent." (Detroit Rec. 285).

The low regard in which the foremen hold the grievance procedure now existing (i. e. personal approach) is indicated by the fact that Witness Goodman stated that the men do not take up problems with management. (Detroit Rec. 310)

The Company has the history of collective bargaining with the rank and file unions (Company Exhibit 5) but the foremen claim they have no resort, as a group, to management, which they say will not receive a committee, will not answer their letters, will not respond to telephone calls (Detroit Rec. 317), and will not talk to any representative of the foremen. The Company says it is a small plant and that the president, Mr. Jackson, is present on all three shifts, and may be seen by anyone. (Detroit Rec. 3319) The Company said that it does not believe its foremen would again strike because the organizational drive is over and that there are no longer any grievances.

11. Failure of the company to restore all striking foremen to their previous positions. The principal unresolved grievance at Aeronautical Products arises out of what took place after the strike. Specifically, the Association contends that the Company failed to maintain the status quo arrangement under which the striking foremen returned to work. It is said foremen were discharged, demoted, and departments consolidated, all of which resulted in a substantial decrease in the number of foremen's posts.

The post-strike happenings are well documented in Company Ex. 11 and, in brief, are these: On May tenth Mr. Keyes telegraphed to the Company that the Foreman's Association would not order a return to work until a joint conference was held regarding the status quo of striking foremen. ^{1/} On the twelfth, the National War Labor Board telegraphed the Company to inquire whether striking foremen were to be discharged or otherwise discriminated against. On the thirteenth, the Company wired the Board that in conformity to its regular policy 26 foremen who had refused to work had been discharged. This wire was materially modified by a later one to the effect that the Company did not refuse to take back a foreman for striking, but because of reduced production. It said that the Company was willing to take back as foreman those strikers who were fitted for the supervisory posts which were left; as to the others, they would receive jobs as production employees if they were eligible under the collective agreement with the rank and file.

On the seventeenth, the War Labor Board wired the Company that the Foreman's Association had directed the officers of the striking foremen to call a meeting for the purpose of returning to work. On the eighteenth the Board wired the Company that it had learned six of the striking foremen had not been taken back, that seven had been reduced to production jobs and that others were required to supervise two departments, whereas in the past they had supervised only one. The Company was directed to restore the strikers to the positions they occupied on the day they struck. The Board said that, while it recognized the right of the Company to rearrange foremen assignments, the status quo must first be restored. The Eleventh Regional War Labor Board was instructed to conduct an investigation and to assist in bringing about an agreement upon the changes necessary after affecting restoration of the status quo. (Company Ex. 11)

The exhibit sets forth the written communications between the Company, the War Labor Board and the Union. There are, however, substantial differences in the oral testimony developed at the hearing, the Union claiming arbitrary action and discrimination, and the Company asserting necessary reorganization upon the curtailment of production.

^{1/} As the wires themselves are in the record and may be consulted, no effort has been made to quote from them in extenso.

Mr. Goodman said the failure to maintain the status quo was a grievance "very definitely," (Detroit Rec. 290); that a return-to-work meeting was held on the evening of the seventeenth, and that he (the witness) urged the foremen to go back to their jobs (Detroit Rec. 291). At 6:45 A.M. on the eighteenth the foremen reported at the plant, but they were not all given posts. All production control men were told there was nothing available for them, although later in the day they were given work with the rank and file. (Detroit Rec. 292) Later those foremen who were not given foremen's rank were given production jobs. (Detroit Rec. 293) The Association claims that there were 42 strikers, including foremen and production control men. (Detroit Rec. 294) Eleven foremen were taken back each with two departments. (Detroit Rec. 297, 298)

The Panel believes that the report of Disputes Director Ronald W. Houghton of the Detroit Regional Labor Board dated May 24, 1944 was acceptable to both parties, but the foremen claim it has been violated by the Company. (Detroit Rec. 301)

The Company in answer to the charges of discrimination says that the demotions of foremen were necessary by reason of the lay off of employees. There had been curtailment in production and one entire department had been shut down. Lengthy sessions had been held as to what the foremen could do until there were further openings. Two of the demoted foremen had come to work the Saturday previous to the strike. Exhibit 12, the report of the Disputes Director of the Detroit area, indicates that there were some re-organizational changes contemplated by the Company as early as February 1944, and that the inspection force had been reduced from 300 to 150 during the previous three months period.

The only unresolved grievances at Aeronautical Products, Inc. arise out of the alleged failure of the Company to carry out the provisions of the report of the Disputes Director. Since this matter at the time of the hearings of the Panel was before the National Labor Relations Board, no finding is made by the Panel.

XII. BALDWIN LOCOMOTIVE WORKS

1. Background. The Baldwin Locomotive Works is successor to the business established in 1811. Of its four divisions, the three at Eddystone, Pennsylvania, are involved in these proceedings. The products of the Company include locomotives, army tanks, heavy machinery, instruments, catapults, steering gears for ships, propellers, and other such items, sold now largely to the government. (Baldwin Rec. 164-166) The Eddystone plant employs some 16,000 persons. About 564 supervisory employees are here involved. They include superintendents, assistant superintendents, general foremen, assistant general foremen, foremen and assistant foremen, supervisory police, and supervisory fire department employees who are represented by Lodge 91 of the International Association of Machinists (A.F.L.). Counsel for the union stated, however, that no superintendents belong to Lodge 91. (New York Rec. October 10, 1943)

These supervisory employees organized during late 1943 and were chartered in December, 1943. On November 8, 1943 and subsequently the Union requested conferences with the management to negotiate a contract and was refused. A request to the National Labor Relations Board for investigation and certification of representatives was dismissed by the local Board, December 6, 1943. This ruling was sustained on appeal by the National Board on February 10, 1944. The case was then certified to the War Labor Board on March 1, 1944. A proposed contract submitted to the Company by the Union on April 12, 1944 covering recognition, wages, hours, working conditions and grievance procedure was rejected by the Company. In a vote taken May 20, 1944, under the War Labor Disputes Act, 363 employees voted in favor of a strike and 108 voted against such action. No strike has since occurred. The Union presents to the Panel a number of complaints which fall broadly under the following headings: wage inequalities; overtime pay; bonus for night shifts; discharges, transfers, and demotions; seniority, grievance procedure and negotiation of an agreement.

The Company is emphatic in insisting that the issue in this case is collective bargaining and that the Union seeks to have the Board compel the Company to negotiate with the union and sign an agreement with it. This the Company contends is beyond the jurisdiction of the Board.

The union frankly asks that the Board order the Company to negotiate with the union, as the representative of the foremen, and reach an agreement to be put in writing and signed. In the event issues are unresolved it would have the Regional Board step in to settle them. (Baldwin Rec. 149-150, 306-309, 311) By not asking for exclusive recognition the union contends it brings its request within the jurisdiction of the Board.

2. Complaint that salaried foremen earn less than hourly-rated foremen and hourly-rated production workers. The wage dispute in this case appears not to concern the general levels of supervisory pay so much as inequalities which are believed to exist. The hourly-rated supervisors receive \$1.20 to \$1.50 an hour, the last increase having been granted in 1942, when production workers received larger increases than these supervisory employees. The salaries of foremen appear to range from \$325 to \$400 per month.

The principal complaint over wages is that the salaried foremen earn less than hourly-rated foremen and hourly-rated production workers. In Exhibit B to its Statement, the union presents a number of cases in which such differences in earnings occurred. The hourly-rated foremen and production workers get over-time in excess of 40 hours, time and one-half for the sixth consecutive day's work, double time on Sunday, and a night shift bonus, whereas salaried foremen receive no such extra compensation. Thus if these hourly employees work more hours than do foremen their earnings may be greater. Witness Hughes for the union implies that overtime hours are probably the greatest single factor which would account for the difference in earnings, (Baldwin Rec. 54, 55) Witness King, an assistant foreman, complains that he is not permitted to work every Sunday whereas rank and file employees are (Baldwin Rec. 139); consequently his earnings are less than those of the rank and file.

While foremen may earn less than production workers under them, their rates of pay are rarely less. The only complaint on this score is made by Witness King to the effect that one employee under his supervision, engaged in the erecting and fabricating of structural steel, receives the same rate he does, \$1.35 per hour. (Baldwin Rec. 138)

Witness Holcomb, vice president of the Company, in discussing this complaint stated that the Salary Administration Committee of the Company had attempted to establish proper differentials between the various grades of employees. A 10 per cent to 15 per cent differential is generally maintained between supervisory employees and the average for the top 10 per cent of the employees supervised. (Baldwin Rec. 342, 351) This is based on a work week of the same number of hours.

In only two shops would it be possible for the hourly rates of assistant foremen to be below the hourly rate of men supervised. In those shops highly skilled tool and die makers are employed. But even here the rates of assistant foremen are correspondingly higher. (Baldwin Rec. 343) As an illustration of difference in hours resulting in greater earnings for the rank and file, the company checked the complaint of Fritz Heim. The complaint was that Heim earned \$85.15 and an employee he supervised earned \$115 for the same week. Heim, however, worked 48½ hours and the rank and file employee worked 72 hours. (Baldwin Rec. 368, 369)

Under cross-examination Witness Holcomb admitted that "in isolated cases" salaried foremen working as many hours as the employees supervised would still earn less. (Baldwin Rec. 375) But the Company contends that this is offset by various privileges other employees do not have and by a year-end bonus. Witness Cavan indicated that early in 1944 he received a bonus of \$500. (Baldwin Rec. 122) Witness Hughes stated that when the bonus is divided by the number of uncompensated overtime hours, it does not amount to very much. (Baldwin Rec. 54)

The existence of inequalities which the Company considers should be corrected is indirectly admitted in the statement of Mr. Holcomb that an application had been filed with the Salary Stabilization Unit which would have permitted the correction of inequalities arising from wage rates which needed adjustment. This application was denied. The complaint here, as in other cases, is in considerable measure against the wage stabilization policy of the government which has prevented the employer from correcting inequalities as proposed.

3. Complaint that supervisory employees doing the same work are paid different rates. According to the Union, assistant foremen with relatively equal responsibilities, similar duties, and comparable numbers of men to supervise may and do receive different hourly rates. It is said the same ~~holds~~ true of salaried supervisors. Rectification of these inequities, it is argued, is, permissible under the wage stabilization policy. (Statement of the Union 6; Baldwin Rec. 53, 54)

The Company states that not in a single shop do men in a higher level of supervision receive lower compensation than supervisors below them. (Baldwin Rec. 348, 349) Mr. Holcomb explained that the operations vary in the various shops. A man who was a general foreman in one shop where operations were comparatively simple might not receive, by a \$25 differential, as much as a foreman in a shop where the operations were complicated. (Baldwin Rec. 349) The differences of pay of supervisory employees with similar titles are attributable "to the number of them they supervise, the type of work they supervise, the skill contained in the jobs of the men under them, and consequently the knowledge they must have of that work." (Baldwin Rec. 349-350)

One complaint about wages is that there is no adequate method of wage review. Witness Cavan for example stated that he "never had any grievance with any management in Baldwin's outside of wages." (Baldwin Rec. 123) If an employee has a grievance with respect to wages he can take that grievance through successively higher stages of management right up to the vice president's office. Generally there is a reluctance to go over the head of the immediate supervisor. (Baldwin Rec. 73) However, Witness Cavan spoke to everyone up the line of management including Mr. Kelly, president of the Company. (Baldwin Rec. 127) Witness Hughes states that when requests were made for increases the men only received promises. (Baldwin Rec. 53) The men were also told that salaries were frozen. (Baldwin Rec. 74)

The Panel is unable to determine from the evidence whether or not inequities resulting from improper classifications or differential rates of pay do in fact exist. Since the hearing the Company has instituted a reclassification of supervisory employees and new rates of compensation. The Union has protested these changes. The matter is discussed later in this chapter.

4. Failure to pay salaried foremen for overtime work. Protest is made that premium pay is not given for overtime beyond 40 hours to salaried foremen. Foremen on a monthly salary are on a 48-hour week. The union requests overtime over 8 hours in any one day and in excess of 40 hours in any work week with time and one-half for work on Saturdays and double time for work on Sundays and specified holidays. (Union Statement 7) The Company concedes that in some instances the foremen do put in more than 48 hours when bottlenecks exist. It is usually a limited crew that works, and they trade off on overtime. The average overtime worked for the year was given as approximately one or two hours per week over the 48-hour schedule. It was thought superintendents might occasionally work 56 or 60 hours in a week. (Baldwin Rec. 335, 336) Mr. Hughes, who testified that he worked about all but six Sundays, was in a bottleneck department and yet his time card showed that he worked only fifteen Sundays out of thirty-two. (Baldwin Rec. 228, 229, 336) The Company witness stated: "This business of overtime is sometimes made necessary by the current man-power shortage. We do not want to work anybody Sundays, but if we cannot hire the men and cannot get the men and have these obligations to meet, we sometimes have to." (Baldwin Rec. 337) The management contends that salaried foremen are indirectly compensated for lack of overtime payments. They have offsetting benefits such as year-end bonuses, sick leave, and time off for personal business. (Baldwin Rec. 333-334, 346) No evidence was offered that the Company in petitioning the Salary Stabilization Unit for salary increases had requested overtime for salaried foremen. The essence of the foremen's request is for overtime payments for time in excess of 40 hours per week. The Panel believes that this question should be decided in the light of area and industry practices. The best body to determine these practices is the Philadelphia Regional Labor Board. The Panel recommends that the question be referred to this agency.

5. Failure to pay a night-shift premium. The Union complains that the bonus of 10 per cent for night shifts applies only to assistant foremen and not to salaried foremen, assistant general foremen, and general foremen. The practice of the Company is said by management to conform to the practice in the industry and in the area. (Baldwin Rec. 339) Since the decision on this point should be governed by area and industry practice, the Panel recommends that this point be referred to the Philadelphia Regional Labor Board for disposition.

6. Complaint that the supervisory employees are subjected to arbitrary discharges and demotions and that without seniority, grievance procedure, and collective bargaining they have no protection against high handed treatment. (Union Statement 8) This is a major complaint. The Union submits a number of statements of employees alleging arbitrary or discriminatory treatment. Although several are here presented to indicate the nature and types of grievances which have arisen, no effort is made to find whether these grievances are presently existing or are indeed valid. The Union has stated that it does not wish the Panel to find who was right or wrong. The Union contends only that a means of resolving such grievances must be agreed upon even if the grievance has no foundation in fact. (Baldwin Rec. 354-357)

A Mr. Kilvington was fired after serving 38 years. He was not informed of this action in advance, but he came in one day to work as usual and found the men standing around in groups. Finally one of the men told him that at the production workers union meeting the previous night the president announced that he had been appointed to Kilvington's job and that Kilvington would receive 90 days' pay.

The Company introduced a statement from J. J. Nelson, vice president of the Foundries Division, in regard to this complaint. Mr. Nelson stated that it is not correct that Mr. Kilvington did not know why he was discharged. On several occasions Mr. Nelson visited the Small Brass Foundry and advised Kilvington that his production was not high enough. On one afternoon Mr. Nelson visited the Foundry and found that not one employee was working. He ordered that Mr. Kilvington be discharged and "a short time after this" Mr. Kilvington visited Mr. Nelson in his office and stated that he knew why he was discharged and bore no ill will whatever (Baldwin Rec. 294-6).

Judson L. Locke and Mary A. Locke: Judson Locke complains of discriminatory treatment resulting from his activities in the Supervisors Union. He claims that a "get Locke" order has been issued, and that he has been demoted because of his activity. At the time he was head of the Special Squad, both he and the Police Chief were on the first shift. He was placed on the second shift because it was "for the betterment of the company." Since his demotion, however, both the Chief of Police and Supervisor of the Special Squad are both on the first shift. He also alleges that the reduction in staff was unjustified and that the letters referred to below from the War Department were bought.

Mary A. Locke, Judson Locke's wife, complains that the argument used that the reduction in the number of supervisors among the guards was made in an effort to save manpower and money is not valid since the jobs are still in existence and are being held by Acting Sergeants.

The Company introduced statements by Captain W. W. Johns and Chief Charles L. Strickland, of the Baldwin Police Force relating to the grievances of Judson and Mary Locke. The statement summarized the exchange of correspondence between the War Department and the Company relative to the reduction of the police force in order to release employees for production. Categorical denial is made of the allegation that these letters were bought. The statement ends:

"In conclusion and rebuttal, Captain Wencil W. Johns and I, Charles L. Strickland, who are both members in good standing with the Supervisor's Union, American Federation of Labor wish to go on record and state that the charges preferred by both former Lieutenant Judson L. Locke and his wife, former Desk Sergeant Mary A. Locke, are misleading and unfounded." (Baldwin Rec. 360-364).

T. H. Morton was allegedly summarily fired. No explanation was given. The case is now before the National Labor Relations Board on a charge of unfair labor practice.

In regard to the grievance of Mr. Morton that he did not know why he was discharged, Mr. Holcomb stated that production was not as high as required in the Diesel Machine Shop. Management believed that this condition was due to the unbalanced supervision in that shop. There were four supervisors in addition to the foreman on the first shift and only one on the second shift. It was decided to move Mr. Morton to the second shift without either loss of title or salary. Mr. Morton objected to this assignment. He spoke to the assistant superintendent, the superintendent and the works manager, all of whom agreed that the reassignment was necessary. Mr. Morton then said that he resigned and his resignation was accepted. (Baldwin Rec. 324-325)

A Mr. McGee complains that a man he supervised was shifted from one shift to another without his being informed. McGee discharged two men who were put back to work within one half hour elsewhere. McGee finally quit in disgust over his lack of authority.

Harry C. Hale was employed for 26 years by the Company. In March 1942 he was called into the office of Amos Cole, present works manager, commended for his work and given a bonus of \$750. In August of the same year he was fired without explanation.

Leo Murset on April 15, 1944 at 3:45 P. M., was met by Mr. Woodall at the office clock where he requested Murset's button and paid him off. Murset asked the reason and was told that it was because he did not get along with his men. Murset then went to the Yard Master, Mr. Thompson, and asked him why he was fired. Mr. Thompson said he did not know, but that the night foreman Mr. Peters had requested Murset's transfer. Mr. Peters was called in and he denied making any such request. Whereupon Mr. Woodall told Mr. Thompson that Murset was an agitator and that he, Mr. Woodall, did not want Murset any longer. Murset claims that he never had any trouble with his men.

The Company states that Murset asked for employment in the shipping room claiming to have had experience. After several weeks he took the attitude that he did not have to work. The "A" shift men complained that the records were incorrect and the material was being checked on the wrong orders. This disorganized the entire crew on the "B" shift. Mr. Woodall complained of the man's work a number of times to Mr. Thompson. The material man on "A" shift also complained. Mr. Thompson then instructed Mr. Woodall to release Murset.

These among others were presented as illustrative grievances.

Mr. Holcomb explained that the approval of higher officials was required to discharge a foreman and that this was the general procedure. He stated further that any one who considers his discharge unwarranted may follow the grievance procedure to Mr. Holcomb himself (Baldwin Rec. 315). The Company has no objection to making this procedure known if it is not generally known. This witness knew of no effort by the management to determine whether or not the procedures were known to foremen. He saw no need to have a group of foremen present a grievance for one of their number. He disliked the idea, but he had received committees of foremen (Baldwin Rec. 317-318), and had no objection to meeting groups presenting their own grievances. (Baldwin Rec. 318) A manual of instruction to foremen is under preparation. (Baldwin Rec. 352)

Another grievance was that the disciplinary measures taken by the supervisors were frequently overruled. Thus Witness Hughes testified:

Q... "If we eliminate the Union for a minute, could you discipline a man as you saw fit?"

A. "Why, I could, but it would not do any good."

Q. "Why wouldn't it do any good?"

A. "Well, because I would not get the support:
I would not get any backing up."

Q. "From whom?"

A. "From my superiors. I would not get any backing."

But later it developed that "in the large majority of cases," Witness Hughes' recommendations were followed. Again during the cross examination of Witness Cavan he stated that when recommendations for discipline were overruled it was probably due to the manpower shortage. (Baldwin Rec. 114) Witness Cavan also stated that in the large majority of cases his recommendations have been followed. In the few cases in which Cavan's recommendations were overruled it took the form of lighter punishment. Witness Hughes assented to this statement. (Baldwin Rec. 116)

7. Complaints concerning seniority. The complaint made here is that seniority postings do not credit some of the men with the full amount of time in service. Witness Wiley, Lieutenant of the Guards, stated that he has been credited with only 8 years of seniority when in fact he has been with the Company almost 12 years. (Baldwin Rec. 106) The Union also asks that seniority govern in layoffs, promotions and demotions.

In discussing the Company's policy Mr. Holcomb stated that weight is given to seniority, but other factors enter into the evaluation of the supervisors prior to lay offs. Weight is given to seniority in making promotions and demotions. (Baldwin Rec. 328-330) In many instances where the foreman was reduced to the rank of a production worker, full credit for all the time with the Company including his service as a supervisor was given. Although the C.I.O. contract does not make such provisions, it is the practice. (Baldwin Rec. 330)

The union proposed straight seniority in demotions and promotions (union exhibit A. p. 3). But the Company objected to this clause stating that "It would mean that length of service, irrespective of ability or any of the other attributes that I have outlined, would govern. A man, by being there a long time, would gradually go up the ladder whether he was capable of it or not."

In regard to the specific complaints of Wiley and Cavan it was brought out on cross examination that when the C.I.O. union and the Company agreed to a seniority provision, it was also agreed that the computation of seniority would arbitrarily be established as of 1939 and 1931 because the company's records were not in good shape prior to those years. (Baldwin Rec. 101) Consequently employees working for the Company before those years would lose that time in the seniority listing. (Baldwin Rec. 101)

But it was explained there are no seniority listings for supervisory employees. Where such employees are included in the seniority lists for other workers it is due to error on the part of the personnel office. (Baldwin Rec. 371) The Panel's conclusions concerning seniority are contained in Sections XXVII and XXVIII of this report.

8. Complaint that grievance procedure is inadequate. Wage adjustments and the lack of grievance procedure appear to be among the most important grievances of the foremen. The Union asks for a grievance procedure terminating in arbitration in the event an issue is not settled in a mutually satisfactory way.

The present procedure may best be indicated by the following extract from the testimony of Mr. Holcomb:

Q "Now what is the Company's practice at the present time with respect to the handling of grievances of supervisory employees?"

A "A supervisory employee with a grievance carries the grievance to his immediate superior. He has the privilege of carrying it to his immediate superior, to carry it to the superior of that man, and that can go on, if we start at the lowest grade of assistant foreman, to the foreman, to the foreman's superior, who will probably be an assistant general foreman, or a general foreman; from him to the assistant superintendent; from him to the superintendent; from the superintendent to the Works Manager; from the Works Manager to the Divisional Vice-President; and from the Divisional Vice-President to myself. That, as a matter of fact, has in some instances been followed."

And again in response to questions by Member Calkins:

- Q. "Is it necessary to go through all those steps before they reach you or your office?"
- A. "If they would not go through all those steps, I would have to go back and check with their superiors, because with as many people as we have, Mr. Calkins, it is impossible for me to have any personal knowledge of the merits of any individual case."
- Q. "But you would not skip any of those steps and go down to an assistant superintendent and get the information from him directly?"
- A. "No; I might, if he had skipped the assistant superintendent, or I might ask the superintendent to find out why he skipped him, because the assistant superintendent might conceivably --"
- Q. "How long a time would it take a man to carry a case clear to you under that kind of procedure?"
- A. "He could do it in a couple of days if he wished to. We do not refuse to see these people, Mr. Calkins. The door of my office is never closed, nor are the doors --"
- Q. "But they have to go through a lot of doors to get to your office, apparently?"
- A. "No, they do not; it is a general office and they can come right to it."
- Q. "But a foreman would not be following your own grievance procedure if he came to your office without having gone to everybody between you and him?"
- A. "He would do -- that is correct."

Such procedure is too involved for the requirements usually demanded of an appropriate grievance procedure. The basic requirements for such procedure are simplicity and speed of handling. The Baldwin procedure does not provide for these essential elements.

The union proposes (Union Exhibit A) that grievances be handled in three steps.

1. The employee and a committeeman take the grievance up with employee's superior.
2. If not satisfactorily adjusted, the employee and committeeman would then take it up with a company representative.
3. If not satisfactory adjusted at this level, it would then be submitted to arbitration.

In discussing this proposal Mr. Holcomb stated:

"I have two prime objections. In the first place the unit claimed by the Union covers five levels of supervision, so that in the first steps of this grievance procedure men would be requesting adjustments of their grievances from either the men who were members or who could be members of the same organization, a situation that would be completely intolerable to the Company."

"In the second place, the procedure as outlined provides for arbitration. The unit claimed or requested by the Union covers these five grades of supervision, and in my opinion, based on some thirty years of operating plants, if we had to submit to the judgment of an outside person without knowledge of our shop procedures or our methods of doing business, the operation of our shops, management would cease to exist." (Baldwin Rec., 297-298).

And further in regard to arbitration the following was stated:

Q. "What is the difference, in your opinion, between arbitration as the final step in grievance procedure in your contract with the Steelworkers, and arbitration as the final step in the grievance procedure for supervisory employees?"

A. "The occupations of Steelworkers are such that it is reasonably easy to determine whether or not the men are carrying out their duties, which are manual in character. Some planning and thinking is required, but it is easy to judge whether or not they are doing it. You can look at them and tell. In the case of supervisors, their jobs are of such a nature that intangible things definitely enter into their success as supervisors." (Baldwin Rec., 298-299).

Mr. Holcomb objects to any procedure in which a group of employees attempts to handle grievances which do not affect them personally. (Baldwin Rec. 318)

The Panel's discussion and recommendation in regard to grievance procedure is in Sections XXX and XXXI of this report.

9. Miscellaneous grievances. In effect the Union presented its demands in the form of a proposed contract. Certain demands not treated in the previous actions are summarized below with the comment of the Company on each. Little or no evidence or argument was offered or made by the Union on each of these demands.

The Union requested that leaves of absence be granted for a reasonable period of time during which seniority should accumulate. The Company now grants leaves of absence up to six months. And greater periods may be approved by the Salary Administration Committee of the Company. (Baldwin Rec. 331)

A request was made that leaves of absence be granted with full retention of seniority rights with reemployment in the same or equivalent positions for foremen going into military service. The Company generally grants such leaves. The veteran is reemployed if his job exists. If a foreman has been with the Company for one year or more, he is given a month's pay on induction.

The Union requested that supervisors receive two weeks' vacation, and that the compensation for hourly supervisors be 4 per cent of earnings as a vacation grant. Assistant foremen now receive one week after one year, two weeks after five years with pay at 2 per cent and 4 per cent of annual earnings. Foremen and higher levels of supervisors receive one week's vacation after service of six months to one year and two weeks' vacation after one year. (Baldwin Rec. 338) This practice is said to conform to the industry and area practice. (Baldwin Rec. 339) The Panel recommends no change in vacation practice.

Sick leave of 30 days per year for all supervisors is requested. Employees of the rank of foremen and above are granted four weeks of sick leave. Beyond that it must be approved by the Salary Administration Committee. Hourly-rated supervisors receive no sick leave. (Baldwin Rec. 340) The Panel makes no recommendation as to sick leave.

In addition there were minor issues such as bulletin boards, safety, and sanitation. These issues may be handled under the grievance procedure recommended in Section XXX of this report.

9. Reclassification of foremen. After the final argument on this case the Panel was advised by the Union that the Company was effecting changes in the relationship of foremen to each other through scheduled wage changes. This action was protested and the Board was requested to order the Company to maintain the status quo pending final action on the Panel's recommendations. In answer to a request for further information the Panel received on October 20, 1944 a letter from Mr. Hughes of the local union a statement of developments.

It appears that on October 14, 1944, the supervisory forces were called into the superintendent's office in each division and were there shown and had explained to them a chart setting forth the rearrangement of supervisory employees. The protest is in part that these changes were instituted unilaterally and arbitrarily without discussion with the foremen. Another protest is that the foremen and assistant foremen in about 40 per cent of the cases were downgraded to assistant foremen and working leaders, respectively. In the old classifications, 409 men carried the rank of assistant foremen. The Company submitted a table to the Panel which shows that under the new classification 141 men will be classified as assistant foremen. One hundred and eighty-five assistant foremen become working leaders, and 26 assistant foremen become workmen. Two hundred and seventeen workmen become working leaders or assistant foremen.

The reclassification involved the institution of new wage rates which were put into effect beginning October 23, 1944 and retroactive to June 1, 1943. The Company advised the Panel that of 626 men affected, 437 received increases in pay, 178 remained unchanged, and 11 received reductions in pay.

Working leaders are covered by the contract of the Company with the United Steelworkers which represents the production and maintenance employees in the Eddystone Works. The job reclassification was under discussion with the United Steelworkers since June 1943. Negotiations with the Steelworkers concerning the inclusion of working leaders in their contract began in July, 1943, before the supervisory forces were organized by Lodge 91. The Company states that, because of the tremendous expansion of the work force at Eddystone and the necessity of hiring many inexperienced people, a large force of assistant foremen, who did not do production work, were needed. Now that the work force had ceased to expand and the training program has been completed, the necessity for a large force of assistant foremen, who are not allowed to do production work, no longer exists. The reclassification plan, after negotiation with the United Steelworkers, was approved by the War Labor Board of Philadelphia on August 2, 1944 under case #3-23032.

This dispute was discussed by the Board in Washington in executive session on December 2 and 8, 1944, and it was voted to refer the matter to the Conciliation service,

XIII. BOHN ALUMINUM AND BRASS CORPORATION.

1. Background. This corporation operates 14 plants one of which is at Adrian, Michigan. Unit No. 24, involved in these hearings, is an aluminum extrusion plant which was placed in operation on March 15th, 1943, before it was fully completed. Cut-backs began in December, 1943. On the fifth of that month there were 51 foremen, set-up men and instructors, whereas on July 28th, 1944, there were only 26 foremen, and no set-up men or instructors. Due to the expansion of the operations a large number of the supervisory staff was new, some of whom had removed from Detroit (Company Statement p. 6).

The foremen in the Bohn Aluminum and Brass Corporation at Adrian, Michigan organized and received a charter (No. 66) from the F. A. A. on December 13, 1943. Shortly thereafter (December 18) five foremen were discharged, according to the Company for reasons of cut-backs and competence. (Company Statement p. 6) On December 21 twenty-eight foremen walked out. On the same day the Association requested a conference with management to discuss wages, hours and condition of employment of foremen. (Detroit Rec. 840) Seven men returned to work. The case was certified to the Board on January 3, 1944. The Association thereupon ordered the striking foremen back to work, but when they reported for work, they were advised that they were discharged. The Association seeks the reinstatement of the men discharged. That case is now pending before the N.L.R.B. It is not entirely clear that the Association seeks from the Board through the Panel since none of its members are now employed by the Company (Detroit Rec. 853) although it cites the case as evidence of the need for grievance machinery by which wage and other grievances may be settled. (Detroit Rec. 849-854) The Company says 8 foremen and 10 set-up men instructors and others, who left their jobs on December 23rd, have not been replaced. (Company Statement Page 7)

Witness Jackson, for the foremen, testified that the men attempted twice to return to the plant. (Detroit Rec. 873) Only two witnesses appeared for the Foremen's Association, and neither of these was then employed at the plant. Cases involving discriminatory discharges were pending before the National Labor Relations Board when the hearing on this case was held. (Detroit Rec. 848-850) Counsel for the Foremen declare that the men are not asking the Panel to reinstate them (Detroit Rec. 848), and that he is presenting witnesses only so that the Panel may be informed of the type of grievances that existed before the discharges of December, 1943. (Detroit Rec. 854) A telegram from the National War Labor Board dated June 16th, 1944, advised the foremen that the case was being returned to the United States Conciliation Service; but this referral did not preclude the case being heard before the Panel. (Detroit Rec. 851)

2. Rates of pay. The evidence on this subject is scanty. All foremen were paid on a weekly salaried basis, the range thereof being from \$60 to \$85. (Detroit Rec. 830) There was a somewhat higher salary paid to the supervisors who moved from Detroit, and a raise of \$5 was given to them. (Detroit Rec. 832) Witness Boone, however, says he was promised

a raise but did not get it, and this, he says, was one of the reasons why the foremen organized. The Company on its part contended that the rates of pay were well in keeping with the rates for similar work paid in the Adrian area (Statement Page 8). On the showing the Panel must find that the foremen have not established that salaries paid to foremen in the Adrian Plant were inadequate.

3. Differential between rates of pay of foremen and of those working under them. At first some of the supervisors were paid on an hourly basis as well as on salary, but this was changed and all foremen were placed on salary. (Detroit Rec. 830) When the foremen were paid on an hourly basis some of the hourly-rated supervisors received more than those on salary; due, of course, to overtime. It was said that some men on incentive rates received more than the foremen, but not "very many of them." (Detroit Rec. 884) The Panel's views on the differential between the compensation of foremen and those working under them are given in Section XXIV of this report.

4. Overtime: Sunday and holiday work. It is said that when men were brought from Detroit they were promised a 48-hour week, but when they arrived at Adrian they found a minimum week of 60 hours. Sometimes the work week was 75 hours, but there was no pay for the extra time. (Detroit Rec. 875, 876) It was said that the daily hours were at first 9 hours, then 10 hours, then back to 8 hours; but there was no overtime compensation and no premium for Sunday work. (Detroit Rec. 836)

5. Demotions, discriminations and grievance procedure. These subjects must be handled together because the witnesses did not differentiate between them. The episode at the Bohn Aluminum and Brass Corporation concerns, according to the witnesses, improper demotions including discriminatory discharges, and an entire lack of grievance procedure.

Trouble started when a foreman, "Red" Boone, who had been transferred from Detroit was "fired" (Detroit Rec. 833). Next day the foremen organized to get some kind of "protection". (Detroit Rec. 834) At the time Mr. Boone was discharged three other supervisors were "fired", as not being capable foremen. (Detroit Rec. 839) Mr. Frost, the Plant Manager, when questioned by a group of foremen about the discharge of the four, said that the four who were fired were incompetent, and that he, the Manager, was going to fire some more. (Detroit Rec. 867)

The position the Company has taken in regard to the discharges is that cut-backs had commenced, and two foremen and two set-up men were discharged on December 18th because they were not competent to perform their duties; that because of the reduction in the government program the Company intended to retain only its better supervisors. The Company asserts that there was no demand of any sort for a settlement of grievances made by the foremen until after the discharges of these four men. (Statement 7)

One thing that was discussed, but only incidentally, was the question of seniority. The foremen were bothered by the fact that there

was no mention of seniority in the C.I.O. contract with the rank and file. As a result Foreman Boone upon being discharged had lost his seven years seniority as a member of the rank and file. (Detroit Rec. 886)

The foremen claim that the discharges that took place were acts of discrimination for union activities. (Detroit Rec. 838, 839) Counsel for the foremen claimed that all members of the Foremen's Association have been released from employment at Bohn's, as have also a time study man and a superintendent who had given signed statements to the National Labor Relations Board. (Detroit Rec. 853) Mr. Frost, the Plant Manager, said that Mr. Boone was not fired because of his union activities, but because he was not a competent foreman. (Detroit Rec. 865) The foremen say "Red" was one of the best supervisors the Company had. (Detroit Rec. 866) One foreman who was discharged (Mr. Cap Lapello) had telephoned Witness Jackson on the day of the strike, and said that the non-union foremen were getting the gravy; the others were getting dirt. (Detroit Rec. 868) The Association claims that when the rank and file go on strike they afterwards return to their jobs; but not so the foremen. (Detroit Rec. 898) The position of the Company is that it does not intend to recognize or bargain collectively with its foremen or negotiate grievances. It claims that the foremen quit their jobs, and for that reason they are not being rehired. (Statement 12, Detroit Rec. 898)

There is no grievance procedure at this Plant except that the Company says an individual may take up any matter with his immediate supervisor or with top executives (Statement 12). The Association demands a grievance procedure. (Detroit Rec. 848-850) Counsel for the foremen said: "...as a matter of record, what case could we present to you that would indicate the need of grievance machinery any better than this one right here?" (Detroit Rec. 850)

The Panel finds that the foremen at Bohn's, when the strike occurred, were dissatisfied over their wages, the lack of overtime pay, and lack of a grievance procedure. ^{1/} As of the present time, there are unresolved grievances concerning the Bohn Plant, in that the alleged discriminatory discharges of more than a score of supervisors because of union activity are not settled. These cases have been certified to the National Labor Relations Board and were there pending at the time of the hearing. This Panel through its referral is not authorized to rule on discriminatory discharges. As to other matters the evidencd is too meager to make findings.

^{1/} There were other grievances of a minor nature. The foremen assert the Company was pushing, or riding them (Detroit Rec. 833), that there was a lack of executive direction - no system (Detroit Rec. 835), repeated changing of hours and the like (Detroit Rec. 836).

XIV. BRIGGS MANUFACTURING COMPANY

1. Background. Four plants of the Briggs Manufacturing Company are involved in these disputes. They are the Hamtramck Plant, the Mack Avenue Plant, the Outer Drive Plant, and the Shoemaker Garage Division. These plants are engaged solely in war production, making aircraft parts. They employed at the time the dispute was certified (November 1, 1943) about 715 supervisors who supervise the work of about 18,500 hourly rated employees.

The foremen of the Briggs Manufacturing Company organized late in 1941 or early in 1942 and received a charter from the Foreman's Association of America on February 16, 1942. This was the second charter issued by the Association. The Association requested a conference with the Briggs management for bargaining purposes on May 4, 1943. The request was refused. A similar demand on June 4 was refused. On August 30, 1943, the Association sent the management a letter of complaint setting forth eleven specific grievances. This letter, being characteristic of those sent to other companies on the same date, is reproduced in Section II of this Report. It specified grievances concerning: recognition; reinstatement of a discharged employee; seniority; sick leave; temporary adjustments in pay; voice in demotions, promotions, and transfers; negotiation over policies; inequalities of pay; classification of supervisory employees; number of foremen and territory to be supervised; and bonus for night shifts. On October 7, 1943, the Association informed the Company it had filed a thirty-day strike notice under the provisions of the War Labor Disputes Act. (Briggs Ex. 18). The dispute was certified to the War Labor Board on November 1, 1943.

2. Rates of pay, general. It does not appear from the testimony that there is any great criticism of the rates of pay of the foremen. The average monthly salary of the foremen based on a 40-hour week is \$284.18 but, since the foremen average 51 hours per week, the average earnings are \$415.90, which compares favorably with salaries elsewhere in the area. (Company Ex. 6) In answer to a direct question as to whether the salaries were high enough for the work they do, Witness Quatro answered rather equivocally. He said: "Well, I don't think they are. Some of them are, but some aren't" The witness then proceeds to discuss lack of uniformity as between foremen performing the same work. (Detroit Rec. 343)

3. Lack of uniformity in the compensation of various foremen. Mr. Quatro cited several cases and claimed a difference in salaries comparing his own compensation with that of other foremen. For example, he referred to J. Tamosunias who is receiving \$325 a month whereas he, the witness, received only \$289 (Detroit Rec. 343). The Company pointed out that this particular foreman was responsible for the setting of all the dies at the Mack Plant and had been with the Briggs organization ever since it had used dies. (Detroit Rec. 2265) Witness referred to Foreman Larose, apparently stating that Mr. Larose, who did the same work as the witness, received more money. (Detroit Rec. 344) The Company (Detroit Rec. 2264) said that Mr. Larose receives \$289. Witness said that two men in the same department got \$260, six men got \$250, and two men got \$225. These are all in Department 64. (Detroit Rec. 344) The witness referred to several other cases and pointed to discrepancies as between rates of pay.

The Company concedes (Detroit Rec. 2256) that it does not have a standardized wage plan for foremen. The rates of foremen vary with the technical training necessary for the job, the foreman's experience, the number of men under his supervision. The Company indicated (Mr. Taylor's testimony, Detroit Rec. 2254-2258) that there is a difference in the responsibilities imposed upon the foremen and that their rates of pay differ in accordance with their abilities, and said that the pay a man receives is related to the number of men under him and the type of work being performed. Mrs. McCann, who was a forelady in the assembly line, received \$260 a month (Detroit Rec. 374) whereas male foremen received \$289 (Detroit Rec. 375). The witness said that she broke in most of the foremen working in the department. The Company replies that the workers under Mrs McCann apply the fabric to the wings (Detroit Rec. 2283) and that there are no male foremen supervising this kind of work. (Detroit Rec. 2283) In like manner the Company explained or commented upon each difference in pay and described a reason therefor.

The Panel has no way of measuring the respective abilities of foremen. The determination of the precise rate to pay its supervisory employees is considered to inhere in management. The Panel does not believe that the Board should consider the absence of a standard wage schedule for foremen in itself a justifiable grievance, although the absence of a standard wage scale may involve inequalities which become the basis for grievances.

4. The differential in the rates between the supervisor and the workers under him. This does not appear to be a grievance in the Briggs Plants. There was no testimony that any foreman at the Briggs earned less than a man working under him for the same number of hours of employment. The Company's evidence was to the effect that in the past, when production employees received raises, equivalent advances were given to supervisors (Detroit Rec. 2254) and that there had been two increases granted the supervisors, one had been of 10 per cent and another of 5 per cent respectively. On June 1, 1941, a 10-per cent increase was made and on December 1, 1942, a 5-per cent increase was granted. (Detroit Rec. 3029) The Company's witness claimed that salaried men received not less than 25 per cent more than the average of the rank and file. Occasionally the rank and file worker with not a great deal of experience is made a supervisor and, until he develops, his salary may be relatively out of line. (Detroit Rec. 2101) The Company's Exhibit 6 shows that, based on a 40-hour week, the average foreman received \$1.63 on an hourly basis and the employees \$1.13, this being a 44 per cent differential in favor of the supervisor. Inasmuch as the employee averaged 48 hours a week and the foreman 51 hours per week, the differential in favor of the foreman on an average earnings is 65 per cent. The average earnings of the foreman are \$415.90 a month and the earnings of the employee on the same basis are \$251.22. 1/

5. Overtime, Saturday and Sunday work. On December 1, 1942, the Company adopted a seven-day work week, commencing Monday morning. With one slight exception the foremen and the rank and file receive the same treatment. Although on salary, the foremen receive time and a half for work in excess of forty hours a week and double time on Sunday if the Sunday is the

1/ It is interesting to note that in the formal demand sent to the Briggs Manufacturing Company on August 30, 1943, there was no grievance set out as to rates of pay, Item 7 relating to the refusal of the Company to rectify rate of pay inequalities by negotiation; there was no mention of a lack of differential in pay rates as between supervisors and workers.

seventh day worked. Foremen do not receive overtime for work over eight hours in any one day as do the rank and file, but only on time beyond forty hours. It is pointed out that since the work week is over forty hours, the practical application of the policy places the foreman on the same basis, in so far as overtime is concerned, as are the men. (Company Exhibit 10, 342)

The matter of overtime is not a grievance for a foreman at the Briggs Company. Witness Quatro said the Company had been very fair in handling overtime compensation. (Company Exhibit 10, 343)

6. Christmas bonus. The Briggs foremen do not receive any bonus for work based on production, but they do receive sums of money such as five or ten or twenty dollars at Christmas time.

Mr. Quatro said they were never told how this bonus was computed (Detroit Rec. 421) The Company in explaining the item said that any employee with less than a year's service who is on the payroll on December 1st of each year shall receive five dollars and that men in service for over one year but less than two years, receive ten dollars, and every supervisor of two years or more receive twenty dollars. This is given only to members on salary and appears to be an old time custom dating back to Walter Briggs. (Detroit Rec. 2237)

If there is any criticism relating to this Christmas gift it is that the men did not know how it was computed.

7. Delays in having a raise come through. Testimony was given that when a foreman is promoted to be a general foreman with a promise of a higher pay, it sometimes takes months for the raise to come through. Mr. Quatro said he didn't get a promised raise for ten or eleven months. (Detroit Rec. 335) He referred to other foremen promoted to be general foremen, namely Charlie Young and Harry Best. They were promoted but didn't get the raises until months later. (Detroit Rec. 336) This was a grievance amongst the foremen. Witness Sopa claims that he was promised a raise if he took a higher rating and went to work nights. (Detroit Rec. 366) He did not get his increase (Detroit Rec. 367) and later was transferred to another plant. (Detroit Rec. 368).

Witness Pietrowski says he was requested to take on the duties of a general foreman. He was promised a raise of \$50 which was supposed to go into effect on the first of March (Detroit Rec. 404) but it didn't become effective until the 15th of May and was then \$15 short. (Detroit Rec. 404)

The Company answered as to Mr. Quatro that the department was having trouble under the Wage Stabilization Program (Detroit Rec. 2261) and although his superintendent recommended his raise, it was not immediately granted. (Detroit Rec. 2262) The Company was unable to locate any record for Charlie Young (Detroit Rec. 2263) perhaps because there was an error in the name in the transcript. Mr. Best, the Company said, had never been classified as a general foreman. The Company denies any specific raise was promised Mr. Sopa (Detroit Rec. 2279) or Mr. Lee (Detroit Rec. 2286).

It is claimed that it is not the policy of the Company to make definite promises until the increase has gone through channels and cleared through the stabilization unit.

Delay in receiving a promised raise is bound to irritate the promisee and constitutes at least a minor grievance. The Panel understands that there was difficulty in working out procedures under the Wage Stabilization Regulations and the time must intervene between the suggesting of a raise and its accomplishment. The complaints arose during the period in 1942 and 1943 when foremen were being promoted to general foremen. If there are unresolved grievances at the present time over delays in handling raises, this record contains no evidence of them.

8. The issue of seniority. Witness Quatro, President of the Briggs Chapter of the Foreman's Association of America, asserted in strong language that "seniority is not recognized at all in either demotions or promotions". (Detroit Rec. 8) The evidence presented by the Foreman's Association in support of this strong statement is meager. The company asserts that the predominating factor and the one given first consideration in making promotions or demotions is ability. Nevertheless, the company by testimony and by statement of policy set forth in Exhibit 7 asserts that the policy of the company has always been to consider seniority when promoting or demoting foremen. Witness Taylor, the Personnel Director of the Company, described the procedure in the case of promotions and demotions (Detroit Rec. 2104-2106) and pointed particularly to the way in which the company absorbed the supervisory staff at the Highland Park plant where operations were greatly curtailed during the years 1938 to 1940, and eventually discontinued in 1941. Virtually the entire management personnel of 179 foremen was absorbed in other Briggs plants. (Detroit Rec. 2108) The view of the Panel concerning the recognition that should be given to seniority in selecting supervisors for demotions, transfer, layoff, or promotion are given in Sections XXVII and XXVIII of this report.

9. Demotions, transfers and discharges, and lack of a grievance procedure. The foreman referred to several cases of demotions and their complaints, related particularly to the arbitrary manner in which demotions or discharges have occurred. Witness Quatro read a statement of grievance of Oliver Sopa (Detroit Rec. 358), and Mr. Sopa testified himself. In the statement, Mr. Sopa said that in 1941 when a reduction of supervision took place, he was reinstated at an hourly-rated job and that since that time he had to work himself up again as a foreman, and he feels that his position as general foreman is insecure in that it can be taken away at a moment's notice. (Detroit Rec. 359) In answer, the Company said that during his work in assembly production he occupied a minor position and had no mechanical experience whatsoever. When automobile production ceased, he was advised to take a training course or an inspection course and he is now in inspection. He is considered a beginner in so far as management is concerned.

Mr. Pietrowski was a foreman for about seventeen months, was discharged, and was allowed to go over to the Mack Avenue plant on day rates. (Detroit Rec. 380) He says he couldn't find out why he was discharged beyond the reason, "inefficiency". It developed: he was advised by the foremen's personnel officer that he was supposed to make thirty-five units

of the hand controls used to operate the lower ball turret on aircraft (Detroit Rec. 381) and that he had never been able to produce it. Mr. Nowicki was also discharged at the same time (Detroit Rec. 382) and the witness says he and Mr. Pietrowski were replaced by four foremen. Witness said that at the close of the shift he was told "You are all done; get your time," by the general foreman. (Detroit Rec. 385) The assigned reason was failure to produce thirty-five units. Witness said he had never been reprimanded until the time that the plant superintendent told him "You are all through." (Detroit Rec. 392)

As to the demotions of Frank Nowicki and Anthony Pietrowski, the Company made a detailed answer in Exhibit 14. The answer of the Company, if true, sufficiently justifies the action taken for both foremen. It is a record of negligence, inefficiency, and inability to produce. In addition, there were complaints that the foremen could not maintain discipline among the employees. The Company's exhibit shows 1456 units produced during the 60 day period preceding the removal of the foremen, and 1969 units produced in the 60-day period after their discharge, and it is reported that the man-hours required to produce each unit was decreased. As to the extra foremen hired, the Company said that the shift was split.

Joseph Sabula was removed from foremen's classification and directed to report as a welder on September 16, 1943. The next day when he came to work, a group foreman tried to meet with Management but was not able to find out why Mr. Sabula had been taken off the job. There was a demonstration for a period of some twenty minutes or so but the foreman went back to work. The Company in its Exhibit 12 set out the reasons for Mr. Sabula's demotion. Five hulls had been rejected by the United States Army officer because they had been welded with the wrong melt wire. During the night shift, Mr. Sabula had removed the tags from one of the hulls and placed it on the line, contrary to direct orders.

In the demand served on the Company on August 30th was a request for the reinstatement of John W. Tewsley. The answer of the Company is set out in its Exhibit 15. It is a record of inefficiency.

The Foreman's Association did not attempt to rebutt the company replies in the case of Sopa, Pietrowski, Nowicki, and Tewsley. On the basis of the record the Panel is unable to find that the company acted without justification. These cases, however, illustrate the need for more adequate arrangements for settling grievances such as the Panel recommends in Section XXX of this report. The company may demote a foreman with ample reason, but adequate arrangements by which the matter may be discussed and the case clarified for the men and also for his associates among the foremen are needed.

10. Grievance procedure. The Association asserts that there is no method of discussing grievances of any kind at the Briggs Plant except to have the individual concerned take the matter up with his superior. Formerly, it is true, there was a foreman's conference wherein matters relating to safety and the like were discussed and Witness Quatro says that at a meeting of this conference methods of raising grievances were discussed. (Detroit Rec. 336.) The assistant of Mr. Taylor, the Personnel Director of the Company, told Witness Quatro that the foremen were supposed to go to the general manager, but the witness said that the manager put him off (Detroit Rec. 337, 339)

Witness Nowicki was discharged and some of the foremen protested. Following the protest the witness was offered another job. Witness later had a job in the Mack Avenue Plant (Detroit Rec. 395) and he himself had protested to one of his superiors and was told that nothing could be done about the discharge.

Foreman Lee was one of the foremen who protested an unreasonable discharge, and he says he was told by the factory manager to go back to work. (Detroit Rec. 402) He says that later on he was called into the office and questioned about the Foreman's Association. (Detroit Rec. 402) Witness says the only adjustment of a grievance is to talk to your superior. (Detroit Rec. 404) The company points out that Mr. Hopkins serves as a personnel man for the foremen and hears foremen's grievances. (Detroit Rec. 410)

Witness Quatro stated that Mr. Taylor, the personnel director, told him that if a foreman cannot speak for himself he did not have the right to be foreman and that at no time could more than one man talk to Labor Relations. (Detroit Rec. 411) At no time was a committee permitted to meet with Management. (Detroit Rec. 410) Witness Quatro complains that Mr. Hopkins listens to the grievance and then says he will see what he can do about it and that is about as far as the matter goes. (Detroit Rec. 413) Mr. Quatro said that he did not know of any personnel director for the foremen, and this witness attributes the walkout in April to failure of the Management to discuss discharges and because foremen could not get any redress. (Detroit Rec. 422)

Witness Taylor, the personnel director of the company, elaborated somewhat on the machinery of handling foremen's complaints. Each plant has a personnel representative reporting to the plant manager and indirectly to the Labor Relations Director. These men are in contact with the foremen daily, the foremen with their general foreman and with the superintendent. (Detroit Rec. 2143, 2145) Witness Taylor testified that prior to the campaign for membership put on by the Foreman's Association of America, there had never been any complaint on the part of the foremen because of a lack of grievance procedure. (Detroit Rec. 2145) Witness had made an inquiry as to whether any personnel officer had ever received a request from a foreman to set up a grievance machinery and found that he had not. The following questions and answers succinctly state the present position of the Company:

"Q. Is your company willing to handle complaints of foremen with a committee or group of the F.A.A.?

A. We are not.

Q. Why?

A. That would be collective bargaining." (Detroit Rec. 2147)

Elaborating, the witness said that any organization is interested in itself, not in the individuals composing it and that Management was unwilling to deal with any group of foremen which represented foremen in other plants. (Detroit Rec. 2148) Mr. Taylor reiterated the remark attributed to him by Witness Quatro by saying (Detroit Rec. 2240) that if a

supervisor was timid in expression or could not state his own position and his desires, Management had made a mistake in promoting him. The management of Briggs Manufacturing Company regards all forms of grievance procedures as collective bargaining and will not have any of them. (Detroit Rec. 2165) The Foreman's Association regards the lack of grievance procedure to be in itself an unresolved grievance.

The Panel finds that whatever procedures the Company has provided for handling grievances have not been effective in resolving grievances of the foremen, nor have they been effective in settling misunderstandings. The Panel's recommendations concerning grievance procedure are set forth in Section XXX of this report.

XV. THE CHRYSLER CORPORATION

1. Background. Only one of the many plants of the Chrysler Corporation, the DeSoto-Wyoming plant, is involved in these proceedings. It is engaged exclusively in war work. Before the war the DeSoto-Wyoming plant employed about 3000 people including 60 or 70 foremen. Today it has over 7000 employees and about 225 foremen (Detroit Rec. 1395, Company Exhibit No. 5) The Chrysler Chapter of the Foreman's Association of America was chartered September 22, 1942. In November, 1942, it requested a conference as bargaining agent for foremen of the DeSoto-Wyoming Plant. The conference was refused and the officers of the Association were advised that the management did not believe the Association represented a majority of the workers or that it was proper for supervisors to organize or bargain collectively. The Association's request of January 5, 1943 to the National Labor Relations Board for certification as bargaining agent was not heard and on June 29, 1943 the notice of hearing was withdrawn.

A letter of complaint dated August 30, 1943 was sent to the Company stating twelve grievances. With minor variations the letter presented essentially similar grievances to those in Briggs. The discharge of Foreman Luan was protested September 21, 1943. On October 6, 1943 the Foreman's Association of America filed a strike notice under provisions of the War Labor Disputes Act. No election, however, took place, the notice apparently being withdrawn. The dispute was certified to the War Labor Board on November 1, 1943. A public hearing on the jurisdiction of the Board was held in Washington January 6, 1944.

On January 13, 1944, without notice and without an election under the War Labor Disputes Act, the foremen at the DeSoto-Wyoming Plant went out on strike. Two days later they also went out in other plants of the Company, but those plants are not here involved. The reason given for the strike by the foremen was the demotion of a foreman named Bond to the position of job-setter. Consequently the nominal cause of the strike was not the issue which led to the certification of this case to the War Labor Board. The men returned to work on January 21, 1944, no conferences between the Foreman's Association of America and the management having been held. On that day Mr. Bond quit his job as a job-setter. The foremen at Chrysler did not join in the strike of early May, 1944, when foremen in six other companies in Detroit went on strike.

2. General level of compensation. On the whole there does not seem to be any serious contention that the base rates augmented by the 30 per cent bonus received by all foremen for overtime work are inadequate. The complaints concern rather a lack of uniformity in the application of the rate structure with a suggestion as to discrimination between supervisors. Some irritation was expressed that a raise once promised is slow in coming through, but generally the grievances concern matters incidental to the wage schedule rather than the sufficiency of its money levels.

It is shown in the Company's Exhibit 5 that since January 1, 1941 general foremen have received an increase of 47.4 per cent, the foremen 52.7 per cent, or together an increase of 48.9 per cent. Since these figures include the 30 per cent bonus the advance in base rates has been about 20 per cent. (Detroit Rec. 1754)

While Foreman Elliott admitted the foreman would like more money, no effort was made to show the salary schedule to be out of line as compared with rates prevailing in the industry in the Detroit area, or that it was otherwise inadequate. Salary ranges, including bonuses, are from \$3500 to \$5500 per year for foremen, and \$4200 to \$6000 a year for general foremen. At the outset of its brief the Company compares these earnings, supplemented by a two weeks vacation with pay and a cash bonus of about \$100 (paid at or about the time a supervisor takes his vacation) as well up to those of many civil servants and men in professional or business activities. It is a fact commented on elsewhere that foremen, as a class, are in the upper one third of the national income bracket.

3. Alleged lack of uniformity in compensation of different foremen. Witness Elliott for the foremen read a statement of Foreman Stafford showing varying rates of pay as between foremen, including himself. This, said Witness Elliott, was a characteristic and prevalent state of affairs about the DeSoto-Wyoming plant. (Detroit Rec. 49) Later in his testimony Mr. Elliott elaborated. First he would have a "lining up" of all salaries on the basis of some going rate in the department, and after this straight classification is made, he would seek to secure some further compensation for the exceptional man.

The only case coming to the attention of the Panel was that set out in the complaint of Mr. Stafford, and even though the figures be accepted, there was no sufficient showing that the capacities of the several men were equal and no evidence as to their respective job responsibilities or performance. Indeed what little proof there is would tend to show a marked difference in skill.

4. Lack of adequate confirmation for overtime, and for Saturday and Sunday work. Foremen report at the same time as the maintenance and production workers they supervise. They work the same hours; but the Union asserts they stay later, and they work Saturdays without premium compensation and Sundays without any pay at all. (Detroit Rec. 36) Specifically, Foreman Marshall requests pay for overtime he claims to have put in from December, 1941, through 1942. He says, in a grievance filed with the Association, that he worked sixty-eight hours a week to March, 1942, and was paid on the basis of a forty-hour week, and thereafter he put in the same hours on a forty-eight hour week basis. (Detroit Rec. 37) His (and other foremen's) overtime was occasioned because of nightly conferences and extra time required to finish his job. (Detroit Rec. 38) The practice of after-work conferences, which appears to have been necessary for the proper performance of a supervisor's work, caused a "lot" of complaints to come to the attention of the Foreman's Association. (Detroit Rec. 39) These conferences concerned ways and means of boosting the production of the Bofors gun. (Detroit Rec. 39)

Foreman Elliott testified that, on straight salary he has in the past worked from seven o'clock in one morning until one o'clock the next, and that in the opinion of the witness, nearly all of the 225 foremen in the plant had experiences in the last few months like those of Mr. Marshall. (Detroit Rec. 45)

A form of overtime especially irritating to salaried employees is work on Saturday and Sunday. At one time lunch money of 60 cents was allowed, but this practice has long since been discontinued.

Until August 1941, the Company paid no special compensation to foremen for overtime. In August, 1941, the Company began to pay 20 per cent additional to foremen and general foremen who worked six days a week, because in some departments defense work then required a six-day week. On June 16th, 1942, when the plant went on a six-day week, salaries of all foremen were advanced 30 per cent. (Detroit Rec. 1755, and Brief of Company, 21, 22) No pay, as such, accrues for Sunday employment, but if a foreman works on that day he is directed to take a day off in the ensuing week. (Detroit Rec. 43) By substituting a week day for Sunday, premium pay to a supervisor who has worked on the holiday is avoided.

The Company's evidence discloses that on the average the supervisors are not called upon to put in an undue amount of overtime. (Company Exhibit 6 sets out the average) amount of time (in hours) worked by foremen from January 1st, 1941, to June, 1944. In summation, by years, it discloses that in 1941 the foremen averaged 170.1 hours per month or 39.3 hours per week; in 1942, 47 hours per week; in 1943, 48.1 hours per week; and January, 1944, to June, 1944, 47.8 hours per week. (Detroit Rec. 1755) In the Company's figures Saturdays and Sundays are treated as ordinary days of the week.

Since the exhibit relates to averages the proofs of the parties do not clash. It is possible that what Foreman Marshall wrote and what Witness Elliott said may each be true. The average is high, and some foremen probably work considerably longer hours than do others. Giving the effect most favorable to the Company Exhibit 6 shows that, on the whole, the supervisory force does not put in excessive hours.

In the time at its disposal the Panel could make no study as to the hours of work of individual supervisors at the DeSoto-Wyoming Plant, the Association could not do so because it had not access to the records, and the Company furnished averages, not detail. It may be that for an undisclosed number of foremen the question of time spent at work above the average required of their fellows is an unresolved grievance. Such cases may be rectified under the grievance procedure recommended elsewhere in this report.

The practice of treating Sunday work as straight time with a compulsory holiday in the ensuing week applies to all supervisory personnel and some of them complain of it. To require that foremen be paid premium time for Sunday work, regardless of whether or not Sunday is the seventh consecutive day of work, would be to accord them preferential treatment compared to the rank and file who are subject to Executive Order 9240. Furthermore, the Panel has been given no evidence that the assignment to Sunday work has been abused. Consequently the Panel makes no recommendation concerning the present practice.

5. Complaint that some supervisors earn less than some of the workers supervised by them. There was read into the record the names of several supervisors and the amount of their annual earnings as well as similar data for employees working under them. (Detroit Rec. 46, 47) The figures as such were not disputed, and Mr. Elliott testified that cases of workers earning more than their supervisors were prevalent in the DeSoto-Wyoming plant. Both parties agree that it is sound policy to pay

foremen more than those who work under them. (Company Brief 21) But no general finding can be made as to the claimed grievance. The Company's Exhibit 7 shows the comparative annual earnings of supervisors and workers. The hourly rated employee received on the average \$2,975 during the year ending June 1, 1944 whereas the foremen received on the average 36.2 per cent more and the general foremen 57.3 per cent more than he did. Both foremen together received 40.1 per cent more than the men under them. (Detroit Rec. 1758) The Company in its brief says its policy has been to pay foremen at least 25 per cent more than the weighted average of the men under them. (Detroit Rec. 21)

It is noted elsewhere that figures based on averages do not negative the existence of substantial inequalities. The material furnished the Panel does not show that for equal hours spent on the job the supervisor receives less than the employee under him, and the Company asserts with confidence that such is not the fact. (Company Brief 36) The Association admits there is no grievance if the reason the worker makes more money than the foreman is because he works longer. (Detroit Rec. 1624)

It is possible that here and there in the Plant there is some situation which requires rectification, but the proofs do not show any specific instance which constitutes a serious grievance. If any instances exist, they may be handled under the grievance procedure recommended by the Panel in Section XXX.

6. Complaints concerning the annual bonus. Little time was spent on this subject. The company gives an annual bonus to supervisors which, it says, is individually determined (Detroit Rec. 1772) and which varies as between foremen and which varies from year to year. Mr. Elliott, witness for the Foreman's Association of America, said he received in different years sums ranging from \$100 to \$125 and that other foremen in his department received as high as \$175. The objection is that no one seems to know how the system works. (Detroit Rec. 163) The bonuses are not a part of the regular monthly compensations and are not directly connected with the performance of the foremen's department in quantity, quality, safety, or like matters. These bonuses while considered wages for certain purposes, are in reality more in the nature of a gratuity. The employee has no contractual right to enforce payment. The Panel comments in general terms upon the problems of annual bonuses in its General Conclusions, Section XXIV.

7. Complaints over loss of night shift premiums when foremen are transferred from night work to day work. Foreman Elliott said when he was transferred from a night shift to the day shift he no longer received the premium paid for night shift work. It is not clear whether the witness raised the point as a grievance, or to illustrate a loss of pay incident to a raise promised but deferred in realization. (Detroit Rec. 242) He does assert however that complaints have come to him from supervisors because of the reduction of pay on transfer to day work. (Detroit Rec. 1658).

A premium or bonus for night work is universally considered an equivalent for the inconvenience a worker is put to as compared to the one who labors in daylight. Since it nowhere appears that a supervisor who declines day work is subject to disciplinary action no grievance, resolved or unresolved, may be predicated on the loss of the night premium suffered by a supervisor when he is transferred to a day shift. In other cases the foremen asked that a premium be paid for night work.

8. Complaint that promotions are arbitrarily made. Foreman Elliott said: on his recommendation an hourly rated employee (Emery Mason) was made a supervisor. (Detroit Rec. 1468) Elliott was then on days, and

had charge of both shifts and Mason was put on second shift. While Elliott was at Washington on business of the Foreman's Association, Mason was promoted to Assistant Superintendent, but according to Elliott in name only, for his duties remained substantially unchanged. Although Mason had been recommended by Elliott for promotion as the general foreman on the second shift, he was only a second choice as Elliott had recommended another man. When the person first nominated by Witness Elliott failed of appointment, he suggested Mr. Mason, who was accepted, and who according to Elliott was a good man. (Detroit Rec. 1562) The complaint appears to be that Mr. Mason was appointed Assistant Superintendent on nights during the period when Mr. Elliott was on an extended leave.

The incident is the only one adduced as an unfair promotion. The Company tendered no evidence in regard to it, being content in its brief to treat Mr. Mason's promotion as something Mr. Elliott took as a personal affront. By reference to scattered fragments of the testimony Management suggests that Mr. Elliott had been weighed and found undeserving of the promotion. (Company Brief 33), whereas nothing in the record indicates he was considered for the job.

Testimony given by Mr. Elliott (Detroit Rec. 1558-1562), develops the procedure of promotion from the rank and file. He says a general foreman proposes several workers whom he deems deserving of promotion. Then he and the superintendent and perhaps others discuss the merits of the nominees. The effort seems to be to get the man best fitted for the job. That there may be difference of opinion is to be expected. But some extended discussion is held and this is true even when a general foreman or a superintendent is to be selected. (Detroit Rec. 1561)

Company Exhibit 4 discloses that from 1941 and through June, 1944, the rolls of the supervisors at DeSoto-Wyoming were increased by 128 new members and supplemented by 62 replacements. All but four of the 190 supervisors so elevated or transferred came from the ranks or from other plants of the Corporation. The significant figure is that only four came from outside. Granted that in the case of Mr. Mason the Company may have erred, (and its representatives freely concede that in the turmoil attendant upon a production drive it has made mistakes), the proofs do not show that Chrysler has as a practice made wrongful promotions into or within its supervisory forces, and the Panel on the evidence must find that the foremen have not established a case that there are unresolved grievances on that score.

9. Complaint that foremen are arbitrarily demoted or discharged. In September, 1943, Foreman Luen had made a disparaging remark concerning a plant protection officer. He was interrogated once or twice, concerning the episode and then discharged, and is now elsewhere employed. To the Panel the discipline administered seems unduly severe, but it cannot be said to be without cause. The testimony is that this is the first foreman discharge in the DeSoto-Wyoming plant in two years (Detroit Rec. 1967; the Company in its brief says since 1940). Taking either date the discharge of only one foreman out of some 225 ¹/₁, and that for cause, does not establish such an arbitrary practice on the part of the Company as would require special corrective measures.

In regard to Foreman Bond whose return to the status of a worker is alleged to have precipitated the work stoppage in January, 1944, the end result does not seem to be wrong. Bond seems to have accepted the demotion without displeasure. He had been tried in two foreman's jobs for about a year, and the Company says he did not make good. He was told report as a job-setter and did not object to do so. After the strike he resigned.

¹/₁ This figure would be much greater if effect were given to the number leaving the service during the period.

There can hardly be a pending grievance in either Mr. Lush's or Mr. Bond's case, except that there is lacking any machinery to review Company action in these situations. The incidents were not presented by the Association as unresolved grievances, but to demonstrate the need of a grievance procedure which would afford the foremen and the Association a right to be heard concerning a change in a foreman's status; that is, in the demotions and discharges of supervisors.

9. The demand of the supervisors for more adequate grievance procedure. The Association at these hearings has brought forward, not for solution, but by way of illustration events and episodes, the end results whereof may well be subject to honest debate, and fair differences in judgment among reasonable persons as to the justness of the conclusion reached. The purpose has been to indicate the need for formal grievance procedure. The attitude of the Association was developed by questions addressed to Mr. Elliott, the President of the Chrysler chapter. After discussion a lack of uniformity as to rates of pay the transcript is:

Q. Of course Mr. Elliott if they had an association there really operating with the grievance machinery, these things could readily have been done.

A. Yes.

Q. And be avoided?

A. That is right.

Q. But without an association the Company itself was more or less helpless to avoid these things?

A. That is right.

Q. Because they do not have the necessary information?

A. That is right. (Detroit Rec. 51)

There is and there has been no grievance procedure at the DeSoto-Wyoming Plant as the term is commonly understood. Each foreman may discuss, in channels, his problems with his superiors or with the personnel department. The Company insists there is no need for other processes. The Panel's views on the general need for grievance procedures are given in Section XXX.

XVI. FEDERAL SHIPBUILDING AND DRYDOCK COMPANY

1. Background. The company is engaged in the construction of various types of vessels for the United States Navy and Marine Commission. The shipyards of the company are located at Kearny and Port Newark, New Jersey. The employees involved are leadingmen of whom there were on May 15, 1944, 1318 in the Kearny Yard and 902 in the Port Newark Yard. (Brief of Leadingmen's Organizing Committee, 4, 5, 6)

The production and maintenance employees of the company are represented for the purposes of collective bargaining by Local 16 of the Industrial Union of Marine and Shipbuilding Workers of America. A great many of the leadingmen are members in good standing of Local 16. (Statement of Leadingmen's Organizing Committee, 5) In December, 1943, the leadingmen formed the Leadingmen's Organizing Committee which has recruited into membership nearly all of the leadingmen of the two units. The Organizing Committee operates as a subordinate organization within Local 16. (Statement of Leadingmen's Organizing Committee, 5)

The leadingmen originally sought to deal with the company through Local 16 as their representative. On February 6, 1943, Local 16 filed a petition with the National Labor Relations Board asking that it be recognized as the exclusive bargaining agent for the company's leadingmen. After the decision of the National Labor Relations Board in the Maryland Drydock case the petition of Local 16 was dismissed. After the failure of Local 16 to obtain recognition as the bargaining agent for the Leadingmen, the Leadingmen's Organizing Committee was formed.

On April 4, 1944, Samuel Rothbard, counsel for Local 16, addressed a letter to the company requesting recognition of the Leadingmen's Organizing Committee as the sole bargaining agent on behalf of the leadingmen. Failing to receive a satisfactory reply, the union counsel called a conciliator of the U. S. Department of Labor into the matter. The conciliator was advised by the company that it would not recognize the Leadingmen's Organizing Committee. On May 2, 1944, a committee of three leadingmen attempted to present a grievance on behalf of the leadingmen. They were told that the company would not recognize them except as employees of the company and that it would discuss only such matters as related to them personally.

On May 19, 1944, approximately 23 of the leadingmen on the second shift in Department 89 at the Port Newark Yard struck, apparently over the demotion of a leadingman for infraction of company rules. On May 20, 22, and 23, a number of leadingmen in this department were out on strike each day. The strike apparently did not receive the sanction of the Leadingmen's Organizing Committee. By May 24, work had been resumed by substantially all leading men. The dispute was certified to the National War Labor Board about May 25, 1944 and the Board accepted jurisdiction about June 7, 1944.

On June 26, 1944, the counsel for the Leadingmen's Organizing Committee submitted to the company a proposed form of contract which would establish conditions concerning wages, hours, tenure, vacations, sick leave, and a grievance procedure and which would provide for recognition of the Industrial Union of Marine and Shipbuilding Workers of America as the exclusive representative of the Leading men for purposes of collective bargaining.

In view of the fact that the Board's resolution of May 18, 1944, creating the Foremen's Panel, excludes from consideration issues involving bargaining rights, the Leadingmen's Organizing Committee does not ask that the company be directed to negotiate a contract with the Leadingmen's Organizing Committee or to sign the contract proposed on behalf of the Leadingmen's Organizing Committee on June 26, 1944. Rather the Leadingmen's Organizing Committee asks that the War Labor Board direct the establishment, without bargaining, of the conditions of work embodied in the proposed contract. (Statement on behalf of the Leadingmen's Organizing Committee, p. 5, and New York Rec. August 7, 36)

2. The General nature of grievances and demands of the leadingmen. Some conditions asked by the leadingmen are already in effect. (Statement of Facts by Federal Shipbuilding and Drydock Company, Company Exhibit 1). These are:

- forty-hour work week
- designation of regularly scheduled hours for three shifts
- time and a half after eight hours
- time and a half for all work performed outside the regular shift
- proposal that when the number of supervisors is increased the last one laid off from a supervisor's job shall be the first one restored
- proposal that when a vacancy occurs in the leadingmen's bracket and no production man, who was formerly a leadingman, is available, the employee in that trade who has the greatest seniority shall be promoted.

Although the above conditions are in effect, the Leadingmen's Organizing Committee asks that they be made a part of working conditions by order of the National War Labor Board. (New York Rec. August 7, 38) At the present time the company may alter these conditions at will. Were they established by order of the Board, the company would not be free to change them. The Panel recommends the Board reject this proposal. Were the proposal carried out to its logical conclusion all employees in war industries who do not possess bargaining rights would have their working conditions made the subject of an order of the Board, regardless of whether or not these working conditions were in dispute. The working conditions then would be alterable only as the Board might permit. No public purpose would be served by requiring such universal freezing of conditions and universal recourse to the Board.

The disputed demands between the leadingmen's committee and the Federal Shipbuilding and Drydock Company relate to:

- level of wages
- overtime
- shift differentials
- sick leave
- vacations
- ratio of leaders to men
- grievance procedure.

3. Demand for higher minimum hourly rates for leadingmen.

Leadingmen ask that the company immediately establish a minimum rate of \$1.65 per hour on a salary basis of 40 hours per week from Monday to Friday inclusive for its leadingmen. The company states (Exhibit 1, 9) that the standard rates for leadingmen in skilled trades are \$1.335 per hour and \$1.40 per hour with some higher rates. During a probationary period a few leadingmen are paid \$1.255 per hour. A small number of leadingmen supervising unskilled trades are paid less than the above rates. The record does not show that the rates received by leadingmen in the Federal Shipbuilding and Drydock Company are below the rates paid by other shipbuilding companies in the region. The Panel makes no recommendation for change.

4. The demand that time and a half be paid for Saturday work as such and double time be paid for work performed on Sunday as such. Time and a half is now paid leadingmen for all work done on Saturday if Saturday constitutes the sixth day. Double time is now paid for work performed on Sunday, if Sunday constitutes the seventh consecutive day worked. The present practice of the company is the prevailing practice in the shipbuilding industry. The Panel does not recommend a change.

5. Shift differentials. The leadingmen ask for a 10 per cent differential for work performed on the second or third shift. At present a 7 per cent differential is paid for work performed on the second and third shift. The Panel has been informed that the policy of the New York Regional Labor Board on night shifts is 5 cents or 5 per cent for the second shift and 10 cents or 10 per cent for the third shift. The existing practice of the company appears to be in line with the practice of the Regional Labor Board. The Panel recommends no change.

6. Sick leave. The leadingmen ask that the employees be allowed a total of eight weeks (40 hours per week) sick leave with pay during each calendar year. In the event that the company doubts that an employee is ill, the parties shall agree upon an impartial doctor to make an examination and the doctor's report shall be conclusive. At the present time there is no sick leave plan for leadingmen. The Panel's views on the subject of sick leave are set forth in Section XXVI of this report. The Panel does not recommend that a sick leave plan be established for leadingmen in the Federal Shipbuilding and Drydock Company.

7. Vacations. The leadingmen propose that every leadingman shall receive two full consecutive weeks' vacation with pay each year. Leadingmen now receive one week's vacation with pay if they are continuously in the service of the company one year or more prior to July 1st of any year, and two weeks' vacation with pay if they have been continuously in the service of the company five years or more. The leadingmen proposed that vacation pay shall be computed by multiplying the average hourly earnings during the two pay periods immediately preceding his vacation by the average number of hours he worked during the two pay periods, except that the number of hours used in making the computation shall not be less than forty per week or more than forty-eight per week. The Panel finds no reason to order the change requested.

8. Ratio of supervisors to workers in each mechanical bracket. The leadingmen ask that the company retain a force of supervisors in a ratio of one supervisor for no less than five and no more than ten men in each mechanical bracket. The Panel believes that it would be a mistake for the War Labor Board to determine the ratio of supervisors to rank and file workers. The ratio is bound to vary with conditions including the ability of different supervisors. The management of each plant has far better knowledge of working conditions and of the abilities of different supervisors than any outside agency can possibly obtain. Since the efficiency of mechanical workers depends in part upon their having adequate supervision, management has a strong incentive to employ a sufficient number of supervisors. At the same time management should not be required to employ an excessive number of supervisors. This is true at all times, but it is especially true at the present time when skilled and experienced supervisors are scarce. A few men, because of their ability and energy are able to supervise successfully a substantially larger number of rank and file workers than are other supervisors. It is desirable that the exceptional supervisor be left free to supervise as many men as he can efficiently handle. A rule restricting the number of rank and file workers for a supervisor would limit the opportunity of exceptional men to demonstrate their ability. One must bear in mind that among the supervisors of today are men who ten or twenty years from now will be plant managers or even the heads of large corporations. These men should be given every possible chance to show and to exercise their talents.

9. Grievance procedure. The leadingmen propose that a committee be established through which any grievance, dispute, or controversy between the company and the leadingmen may be taken up by either the company or the leadingmen. The leadingmen ask that grievances which cannot be adjusted by the proposed grievance committee shall be referred to an impartial umpire. At present the company's position is that it is willing to consider the grievance of any supervisor when he himself presents it. He may present it either to his immediate superior or he may carry it higher up. The company, however, will not discuss grievances with the representatives of aggrieved supervisors.

The Panel believes that the present arrangements for handling the grievances of leadingmen in the Federal Shipbuilding and Drydock Company are inadequate. It recommends that the Board direct the company to establish grievance machinery which is consistent with the recommendations of the Panel in Section XXX of this report. The Panel does not believe that grievance procedure should terminate in arbitration by a neutral. Its views on this point are set forth in Section XXXI of this report.

XVII. GAR WOOD INDUSTRIES

1. Background. Gar Wood Industries employs 3369 rank and file employees in the four plants involved in these proceedings. It has 131 foremen and general foremen, 1 general superintendent, 6 superintendents and 3 assistant superintendents. (Detroit Rec. 3611, 3612, Exhibit 1) The Company has a diversified business, building road machinery, steel bodies, hoists, refueling tanks and other heavy equipment. It had some war contracts but has completed these. (Detroit Rec. 3627) There will be no great reconversion problem when peace comes. (Detroit Rec. 3627)

The foremen of Gar Wood Industries were chartered by the Foremen's Association of America in November 17, 1942. The company was advised that the foremen were organizing. (Detroit Rec. 3661) On August 30, 1943, at the time the demands were served on other companies, the Foremen's Association of America sent the management a letter of complaint specifying nine grievances practically the same as those filed against the other companies. (Company Ex. 5) The request for a meeting was refused. (Company Ex. 6) On May 4, 1944 another letter of complaint was sent the management. No reply was received from the Company and on May 9 the foremen went on strike. (Detroit Rec. 560-561) War Labor Board took jurisdiction and the men returned to work on May 17th.

2. General level of compensation of supervisors. The testimony is not entirely clear as to what the base rates of pay for foremen are. There are two methods of payment in use at Gar Wood's. Some foremen are on salary and, in addition to the salary, they receive a bonus, while other foremen are on an hourly rate. General foremen receive \$364 per month and foremen, about \$325. There is a variance in the amounts earned by different individuals. The principal witness for the Union was Mr. MacKintosh, the President of Chapter 7, who stated that the amount of the salaries was satisfactory (Detroit Rec. 544), but the hourly-rated supervisors who, said the witness, receive only \$1.36 per hour, wanted more money. This is a grievance with these men (Detroit Rec. 545) and is discussed below under the heading of "Differentials in rates between supervisors and workers".

The witness said he did not have any idea why there were two methods of compensating supervisors (Detroit Rec. 542), but the Company's witness, Mr. Wood, explained that foremen are always promoted from the ranks during an upsurge in business and for a time are kept on hourly rates. (Detroit Rec. 3623) To place them on a salary basis during such a period of increased production and then return them to an hourly-rated production was found to be unsatisfactory. The present expansion of production was found to be abnormal and thus the same procedure was followed. Supervisors may choose whatever method of compensation they desire, and having made a choice are permitted to change. The trend is toward fixed salaries. (Detroit Rec. 3624, 3625) Mr. Wood said that his Company has competition in smaller communities where wage rates are lower (Detroit Rec. 3626), and that Gar Wood foremen have steady employment, and are "certainly paid

the going wage (Detroit Rec. 3628) The average earned per hour of foremen was \$1.45 and hourly rated employees \$1.34. (Exhibit 4) Every time a raise was granted the rank and file, adjustments were made with foremen. (Detroit Rec. 3665) The hourly rate of the supervisors paid under that method ranges from \$1.06 to \$1.65 per hour. (Detroit Rec. 3655)

No comparative data on the compensation of supervisors were submitted by the Foreman's Association. Even as to the hourly rates, the chief complaint seems to relate to the fact that some of the men made more than the supervisors. The Panel finds that there is no evidence that the supervisors are underpaid.

3. Lack of uniformity in rates paid supervisors doing similar work or with similar responsibilities. There are statements in the record that there is a difference in rates, but the witness, (Mr. Beckett, who read from sheets furnished by the foremen), said few foremen know their exact classification; hence the Panel finds close comparison is impossible. (Detroit Rec. 565-568)

4. Differential in rates between supervisors and workers. Mr. MacKintosh, the President of Chapter 7, says some supervisors receive only \$1.36 per hour, whereas some men under them earn \$1.52 per hour. (Detroit Rec. 545) One such foreman was identified by Mr. Beckett as Foster Eid. He was getting \$1.36 per hour, while his men receive \$1.52. In 1941 Mr. Eid was receiving \$1.31 and his men \$1.36. There is abundant evidence that in some cases workers receive more than their foremen, but this is attributed to the fact that while the men are on incentive rates (Detroit Rec. 575), foremen are not. (Detroit Rec. 3649) The Company is cognizant of this situation, and Mr. Wood believes it belittles a foreman. (Detroit Rec. 3648)

Nothing can be done about the differential at this time (Detroit Rec. 3648), but the Company has a firm of engineers engaged on revising the wage structure. (Detroit Rec. 3649)

The Panel finds that, due to the fact that some workers are on incentive rates at Gar Wood Industries, they make more than some of the hourly-rated supervisors. The Panel finds that the fact that some workers at Gar Wood earn more than the supervisors is an unresolved grievance. The Panel also finds that the revision of the wage and salary scale of supervisors for which studies are now being made is likely to eliminate this grievance. Consequently the Panel makes no recommendation to the Board on this point. If the revision of the wage and salary scale fails to eliminate this grievance, cases may be taken up under the grievance procedure recommended by the Panel in Section XXX of this report.

5. Overtime and Sunday work. Mr. Macintosh said that salaried supervisors receive no compensation for overtime work, and that they work "plenty". (Detroit Rec. 542) One foreman, Maxwell Adams is said to have worked 26 consecutive Sundays in 1942. (Detroit Rec. 542) The witness said he himself worked Saturdays, Sundays, holidays and plenty of nights. (Detroit Rec. 542) Probably, said the witness, the bonus which is given at Christmas time is to compensate for overtime. (Detroit Rec. 549) An hourly-rated supervisor may sometime make as much on Saturdays and Sundays as a salaried foreman does in a whole week. (Detroit Rec. 571)

Mr. Wood, Vice-president of the company, said in answer that hourly-rated foremen came from the ranks and will have to go back on their jobs when peace comes, and the Company gives them every advantage while they are foremen. (Detroit Rec. 3622) Witness Beckett, who was an hourly-rated supervisor, complained that if he was a minute late he was docked, but unless he worked a full half hour overtime he received no extra pay. (Detroit Rec. 584)

When the plant went on to a 48-hour week rates of foremen were increased 20 to 30 per cent. (Detroit Rec. 3665) This approximate time and a half up to forty-eight or fifty hours. (Detroit Rec. 3666) Mr. Wood for the Company said there was a considerable amount of overtime doing work on a rush order just after Pearl Harbor, but that Foreman Adams was never requested to work 26 consecutive Sundays. (Detroit Rec. 3629) His card does not show it, although he may have come into the plant on Sundays to see if everything was all right in his department. (Detroit Rec. 3630) Sunday work by a supervisor is voluntary. (Detroit Rec. 3631, 3686)

In the spring of 1944 there was a rush job, and 13 foremen put in considerable time over 48 hours per week. The Company asked permission to pay to the foremen premium pay similar to that given to hourly-rated employees. The period of overtime was about forty-five days. The Salary Stabilization Unit of the Treasury Department allowed about one half of the requested increase for overtime. (Detroit Rec. 3653, Exhibits 8 and 9)

Witness Swanson said he worked seven days a week for the past two years. (Detroit Rec. 611) Mr. Wood testified that when a foreman worked Sunday, he could take a day off if he wanted to. (Detroit Rec. 3686) No evidence was presented showing that foremen in fact availed themselves of the opportunity. The Panel believes that the arrangements for paying salaried supervisors for Sunday work at the Gar Wood plant are inadequate up until spring of 1944. The salaried supervisors are not paid for Sunday work to the extent that the decision of the Salaried Stabilization Unit of the Treasury permits. Consequently, since a ruling on this point has been made by the agency the government empowered to act, the Panel finds no unresolved grievance.

6. Sick leave. There is no problem here. The foremen admit the Company, while it does not have any fixed plan, is "very good in that respect." (Detroit Rec. 548) The fact is that sick leave period seems to be unlimited, as one man was paid for a full year. (Detroit Rec. 3626, 3628) The Company cannot understand why foremen would wish to put a limit on the period of leave. (Detroit Rec. 3628)

7. Cash bonus. A cash bonus is ordinarily paid at Christmas time in amounts from \$100 to \$300. (Detroit Rec. 3633-3634) The bonus is in the way of a performance award, and to compensate the foremen, in a way, for overtime. Witness Macintosh says he would prefer overtime pay in lieu of, or as well as the bonus. (Detroit Rec. 550) Witness Beckett does not get a bonus because he is not on salary, but he contrasts the average amount of the bonus with about \$2400 overtime pay he drew in 1943.

8. Bonus for night work. Witness Macintosh says the salaried foremen on night shift receive no bonus, although the rank and file worker gets 5 cents extra. (Detroit Rec. 546) The Company says the day foreman has greater responsibility and lays out the work, so the differential is really there. (Detroit Rec. 3632, Brief 15)

9. Seniority and promotion, demotions, and transfers. These subjects are considered together as all involve length of service. The Association claims there is no seniority recognition at Gar Wood's. In a letter to Mr. Wood dated May 4th, 1944, the foremen demanded a meeting with management, and it said: "They (the foremen) have no seniority rights they can depend upon." (Detroit Rec. 561) Mr. Stewart said there is no seniority among the foremen (Detroit Rec. 591) and specifically the foremen point to some individual cases.

The association has considered seniority important and, when no reply was received to its letter of May 4th, 1944, demanding it, "Drastic action" was taken; that is, the members went on strike (Detroit Rec. 562) on the seniority and perhaps other demand.

In reply Mr. Wood, the president of the company testified that practically all of its foremen have come up from the rank and file, and, if they are demoted and go back as workers, they get cumulative security. (Detroit Rec. 3665) Mr. Wood testified that seniority is a "definite factor" in demotions and promotions of foremen but said that ability as well as seniority is considered. All other things being equal, seniority will govern. (Detroit Rec. 3668)

John Currie was, says the Association, next in line for a vacancy in a higher level in supervision, but the Company promoted a vice president of C.I.O. to the place. (Detroit Rec. 556) The Company, it was said, took a person who was not a foreman and made a general foreman out of him, disregarding a foreman with two or three years experience. (Detroit Rec. 557) Mr. Wood claims that Mr. Mercer, who had been appointed, was the better qualified person for the job. (Detroit Rec. 3643)

Harry Stewart a foreman of two and one half years was on the afternoon shift. He was demoted to the status of worker, because he was told a shift was to be discontinued. Mr. Stewart believed that he should have replaced Foreman Sanders who had less seniority and less experience in that job than he had. As foreman of pipe fitters Mr. Stewart was receiving \$1.41 an hour, and now as a worker he receives \$1.51. (Detroit Rec. 593-594) The Company claimed that, because of a reduction in operations, it was necessary to demote Mr. Stewart, and that Mr. Sanders was not replaced by Mr. Stewart because Mr. Sanders was able to perform work which Mr. Stewart was not. (Detroit Rec. 3655, 3656).

John Bell, four years a foreman, said he was told that either he or the night foreman would have to go back to the ranks. He said that later a foreman with a higher classification was brought in from another plant, and because he (Mr. Bell) did not wish to take the night shift, he went back to the ranks. (Detroit Rec. 599) The new foreman took not only Mr. Bell's job, but that of another foreman as well. (Detroit Rec. 600) Mr. Ritz, the new man, had greater seniority. (Detroit Rec. 601) The witness makes 19 or 20 cents an hour more as a worker than he

did as foreman. (Detroit Rec. 602)

The foreman appear to consider seniority should apply as to shifts. Mr. Beckett said: "You could be a foreman ten years and if the Company wanted to, they could put you on nights". (Detroit Rec. 592) Mr. Swanson who had five years experience declined to go on nights. (Detroit Rec. 614)

The cases of promotion, demotion and transfer cited by the Association show only a difference of opinion between some of the foremen and representatives of Management over who should be promoted or demoted but they show no abuse of impartial discretion. The record presented by the Foreman's Association contains no evidence that Management was lax in attempting to find in each case the man best qualified for the job. The grievance of John Bell appears to be particularly far fetched, for not only does he earn more at his new job than at the old one but the man who took his place has greater seniority than Bell has.

10. Grievance procedure. The Association feels strongly on the matter of grievance procedure. Mr. MacIntosh says definitely that nobody handles grievances for the foremen (Detroit Rec. 552); that when the witness discussed foremen's grievances with Mr. Wood he was told that if the foremen were not satisfied with the conditions, they could go elsewhere. In 1943 there was an interview between the witness and Management wherein the witness felt that he had been "spanked." However, Mr. Wood did say he would see any individual foreman or group of foremen if they had a grievance. (Detroit Rec. 564) In April, 1943, a group of foremen met Mr. Wood by appointment to talk over the John Currie Case (Detroit Rec. 565), but when the group met, Mr. Wood said: "What is this - a bunch of Communists?" (Detroit Rec. 558)

There were no conferences with the officials of the Company during the strike. (Detroit Rec. 562) Foremen are permitted to talk to Mr. Wood personally (Detroit Rec. 574), but when Mr. Palmer attempted to bargain on his own behalf, he got discouraged and quit. (Detroit Rec. 579) The position of the Company is that Mr. Allison, the superintendent, is ready to listen to any complaints (Detroit Rec. 3657), and that Mr. Wood is also available. (Detroit Rec. 3667) The Association sent a letter August 30th, 1943, to Mr. Bassett, the president of the Company, which was replied to on September 8th. These letters constitute Exhibit 5 and 6. The management in its letter (Ex. 6) refused to meet with representatives of the chapter as the bargaining agent for foremen and the letter concluded: "We shall, as always, however, be glad to discuss with any individual foremen, any grievances which he may feel he has against the Company."

The Panel believes that the arrangements for handling the grievances of foremen at the Gar Wood Company are inadequate. It recommends that the Board direct the establishment of grievance machinery corresponding to that outlined in Section XXX of this Report.

XVIII. HUDSON MOTOR COMPANY

1. Background. Hudson Motor Car Company is engaged in war work. It operates three separate plants in the Detroit area, which are known as the Jefferson, the Charlevoix and the Gratiot plants. As of the time of the hearings, the Company employed 595 supervisors and somewhat over 10,000 hourly-rated employees. (Company Ex. 1)

The foremen of Hudson Motor Car Company received a charter from the Foreman's Association of America on November 17, 1942. There is no evidence of negotiations with the Company. On May 1, 1944 the Foreman's Association of America made demands upon the Company that it reinstate a foreman, pay a night shift bonus, and grant seniority rights. (Detroit Rec. 468) The Company failing to act, the foremen went on strike that day and remained out until May 17, when the other strikes of early May were terminated. The case was certified to the Board June 9, 1944.

2. Inequalities in the pay of supervisors. It does not appear that the rates of pay, as such, constitute a grievance. The chief witness for the Association was Mr. Joseph George Hornett, who is a foreman or a supervisor, and who is president of the Hudson chapter of the Foreman's Association. He was asked thus:

Q. "Are the rates of pay, as such, a grievance, or is it more or less inequities in the matter of paying the various foremen of the same classification for different work?

A. "I would like to put it this way the complaint has been that John Brown gets more than Jack Jones who is doing the same class of work and John Brown can only go to his superintendent and beef about it"
(Detroit Rec. 443).

There is no further reference in the record to basic rates of pay, or any complaint concerning the salaries paid the various levels of supervision. In Company's Exhibit 17, the average compensation of supervisors was said to be:

Assistant Foreman	\$330.00 per month
Foreman	350.52 per month
Asst. General Foreman	388.50 per month
General Foreman	390.00 per month

The complaints as to inequalities between individuals are many. The witness read a memorandum (Detroit Rec. 440) of "notes" made after the hearings had commenced. These notes referred to perhaps a dozen supervisors and the following are the principal instances cited:

Mr. L. Ponder, a foreman, was paid \$305 per month, the same as his "assistant", Mr. Stacy. The Company replied that the two gentlemen had equal rights as foremen in the Stores Department, each responsible to Mr. Crowell. (Detroit Rec. 3532) Witness said that Mr. G. Howland,

a foreman received \$312 per month and has as an assistant, Mr. W. Faulk who receives \$305 per month. The Company asserts that Mr. Faulk is not Mr. Howland's assistant. Both foremen work for Mr. Crowell in the Stores Division, and, says the Company, a difference of seven dollars in the salaries is justified by the difference in ability of the foremen. (Detroit Rec. 3534)

It was said that Mr. R. R. Wilcox, also in the Stores Division, received \$300 per month, and that he was replaced by Mr. S. Tyson who receives for the same work \$350. The Company asserts that Mr. Tyson was receiving \$335 at the same time that Mr. Wilcox was earning \$300 per month, and that Mr. Tyson has been recently granted \$350 (Detroit Rec. 3535) because it is said Mr. Tyson is "on his way up."

Complaint was made that B. Stacy and Mr. Faulk were recently made assistant foremen at a rate of \$305 per month, whereas Mr. E. Combs and Mr. R. R. Wilcox of the same classification and longer periods of service received only \$300 per month.

Witness also referred to a complaint that the differences in rates between Assistant General Foreman Crowell (\$350) and Foreman Ponder (\$305) and Foreman Holland (\$312) is not commensurate with the differential between Assistant General Foreman Crowell (\$350) and General Foreman Williams at \$390. (Detroit Rec. 441)

Witness said as he read his notes that "this was a thing that happens to me day in and day out, that causes me to wonder if we do have any set figures." The differential in lots of cases is so great that it is hard to "tie them up." (Detroit Rec. 441) The Company contends that there is a minimum and a maximum schedule approved by the Salary Stabilization Unit with a relatively wide range. (Detroit Rec. 3536)

In answer generally to the complaints of the foremen concerning lack of uniformity, the Company took the position that the Union was bringing forth unverified complaints, and that when these alleged complaints were investigated by the employers, they disappeared. (Company Brief, 9) In the individual cases, the Company justified the difference in pay because of the differences either in the responsibility imposed upon the foremen or the ability displayed by them.

The evidence in the record is not sufficient to enable the Panel to express a judgment on the merits of the particular alleged inequalities submitted by the Association.

3. Delay in making adjustments in the compensation of individual foremen. Foreman Hornett asserted that the only way adjustments could be brought about was to "yell loud enough." (Detroit Rec. 441) Two old employees of the Company Gus Gualkin and Al Kaufman were getting \$325.00 for six days work a week and took it upon themselves to get a raise. They spoke to the acting superintendent who recommended a

twenty-five dollar raise. (Detroit Rec. 443) The negotiations were pending for about a year and finally the raise was approved as of April first, 1944, and the first pay checks received July 1, 1944. (Detroit Rec. 444) The Company contended these foremen were not as skilled as others, and their work did not require as much experience as that of other foremen in the machine shop. The Works Manager, Mr. Taylor, did not believe the raise was warranted and did not approve it until April 1. (Detroit Rec. 3537)

Mr. Hornett testified that the production manager wanted him to set up some research procedure in tooling for post war work. Witness did not want the job unless he could get a raise. He had been promised an increase of twenty-five dollars, but it has never gone through. Witness found another job outside the plant, but said he lost it because of activity in the strike. (Detroit Rec. 500)

Henry Peter Rochan testified that he was employed at Gratiot plant as a power house foreman. He considered himself a foreman, but found out that he was classified as an assistant general foreman. He does not receive the salary of an assistant general foreman, as one Sweeppy, an assistant general foreman, receives forty dollars per month more. He requested an increase and it was recommended in the amount of thirty dollars, which however, was later turned down. (Detroit Rec. 517) The men went on strike and this foreman was ordered to go back to work by the Association in order not to damage Company property by shutting down the power plant. In a very short time he received the promised raise. This witness also complained he could not understand how his check was figured (Detroit Rec. 519), and he still believes that in comparison with Mr. Sweeppy he is underpaid. (Detroit Rec. 521)

The Company explained that Mr. Sweeppy's job required a first-class engineer's license whereas Mr. Rochan required only a second-class license. As to the difficulty in computing the check, the Company said an error had been made, in that fifty dollars was actually paid Mr. Rochan instead of thirty, and the overpayment was rectified the following pay day. (Detroit Rec. 3568)

4. Differentials in pay between foremen and the men under them. No complaint seems to have been made by the Foreman's Association that the rank and file workers receive more than the men who supervise them, but nevertheless the Company offered its Exhibit 17, which shows an average differential of 35 per cent as between assistant foremen and rank and file and 42 per cent as between foremen and rank and file. The average differential in earnings between general foremen and rank and file is 57 per cent. On the average the assistant foremen received \$1.59 an hour, foremen \$1.68 an hour, and the average rank and file worker \$1.18 per hour.

5. Overtime, Saturday and Sunday work. The Company works six days a week and employees are compensated for overtime services as follows:

Since May 29, 1944 all grades of supervisors have been paid compensation for overtime, but the base pay and overtime must not

exceed \$650 per month. The standard work week is 48 hours and compensation up to 60 hours in any one week will be paid pro rata if the additional time has been approved by the superintendent. The practice of paying 75 cents supper money was discontinued. Time and one-half is paid for Sunday work provided some work shall have been performed by the supervisor on each of the preceding six days.

Witness said that foremen have worked more than 60 hours a week prior to the Sunday worked, but were not compensated beyond the 60 hour maximum. Witness said that overtime had been put in by foremen as well as Sunday work since 1941. In March, 1944, the men apparently refused to work on Sunday and stayed out for two Sundays. (Detroit Rec. 450) The Company states its position in Exhibit 18, which discloses that when the normal work week was increased from five to six days, salaried supervision was given a 20 per cent increase to compensate it for the additional day's work. In March, 1943, application was made to the Treasury Department to pay foremen overtime on a straight time basis for 60 hours per week. The original application was never approved, but early in 1944 approval was secured for the present program.

As to the extent of the overtime work, the Company and the Association differ. The testimony on behalf of the Company was that for the last six months of 1943 less than one thousand production employees worked on any Sunday (Detroit Rec. 3541), and on most of the Sundays, the numbers ranged from 400 to 500. At the rate of one supervisor to 30 employees, therefore there would be only 15, or perhaps 20, foremen working on any Sunday. (Detroit Rec. 3541)

On May 21, 1944, the supervisors held a meeting and decided to discontinue working holidays unless they received time and one half. Witness Hornett claimed that if a supervisor did not work on a holiday, the Company would not pay him for the overtime he had accumulated during the week. (Detroit Rec. 478)

As to the holiday work, the witness testified that if a foreman did not work on a holiday he would receive 48 hours pay, the same as any other week, but recently the Treasury Department approved a plan to pay straight time and overtime for hours in excess of 40 hours a week. That is a supervisor who worked the first four days in the week, did not work on Friday because it was a holiday and worked Saturday, would receive straight overtime compensation.

Whatever may have been the experience in the past, the Panel finds that at the present time, foremen are compensated for overtime and Sunday work on a plan approved by the Stabilization Unit and there is now no unresolved grievance on overtime.

6. Bonus for night work. One of the demands in the communication of April 30, 1944 was for:

"(a) A sure promise to be made of paying a bonus to night foremen and supervisors."

There is no bonus for night work by supervisors although the rank and file receive a five-cent an hour increase while on the second and third shifts. (Detroit Rec. 3511) The position of the Company is that the foreman on the day shift has the greater responsibility, in that he does the planning and lays out the work for the later shifts; hence extra responsibility of the day shift foremen offsets the inconvenience involved in night work, and no differential, therefore, should be paid. (Detroit Rec. 3511, Brief 15)

7. Sick Leave. There is a sick leave plan in effect. Witness Hornett said that recently "we learned" that only two weeks away from work would be allowed for sickness or because of disability arising out of accident occurring outside the plant. The witness said that it had been customary to give a much more extended leave. (Detroit Rec. 464)

Witness referred to one Birkhan who had been employed by Hudson for about sixteen years, most of the time as supervisor. He suffered a broken leg in an automobile accident and was paid two and one half weeks. Then he was notified that he was off the payroll. (Detroit Rec. 485) The information was that since in the past injured persons had received longer leave, Mr. Birkhan was discriminated against. (Detroit Rec. 485) The Company has a different story. It says that Mr. Birkhan was injured on January 31 and his compensation was continued for the full month of February, and that thereafter Mr. Swegles, after talking with Mr. Birkhan, granted an additional half month's salary. (Detroit Rec. 3563) The Company admits that other supervisors have been paid for a longer time because they held higher supervisory positions or had been longer in service. (Detroit Rec. 3564 and Company Ex. 19).

8. Demotions, transfers, and discharges. The supervisors at Hudson went on strike on May 1, 1944--four days after the foremen at Briggs struck, but before the foremen struck at Packard, Murray, Gar Wood, and Aeronautical Products. It was claimed by Mr. Hornett that the Hudson foremen went out as a matter of principle, not in sympathy with any other striking chapter.

A general foreman, Henry Harms at the Gratiot plant had been with the company some sixteen years, and was on a Navy mine anchor project. The government then introduced a new type of mine which had quite a lot of electrical devices. Witness Hornett asserts that the tooling for the new job was not adequate and that the rank and file, mostly women, were inexperienced. In April Management decided to put an engineer in charge of the job as general foreman. One Saturday evening, Mr. Harms was called into the office and told he would not be on the job any more. (Detroit Rec. 460) Mr. Harms was put on clerical work for two or three days. (Detroit Rec. 461) As soon as the Association heard of the removal it sent a written protest to Management. (Detroit Rec. 463)

The Company on its part read into the record a written summary of the Harms case. Mr. Harms was transferred to a general foreman's position on Navy projects in December 1943, and after two months' time the Navy asserted they were not satisfied with the quality of the product. In March, 1944, an engineer was assigned to help Mr. Harms, and on a Saturday, Mr. Harms

was told by the superintendent that Mr. Williams would take over the supervision and that he (Mr. Harms) would be made assistant superintendent to work on special assignments. His salary was not changed. (Detroit Rec. 3558) The Company says Mr. Harms was not demoted, neither did he lose any time and on July 16, 1944, received an increase in salary of twenty-five dollars per month. He had been given a hearing by the Company which claimed there were logical reasons for the transfer and that Mr. Harms himself did not express any dissatisfaction with the final disposition of the matter. (Detroit Rec. 3559-3561)

Lemar Sisson had been with the Company some twenty years in various capacities and was a general foreman on a Wright Aeronautical contract. He was told that he was to be taken off the job and placed on trouble shooting because he was not making the grade. (Detroit Rec. 451) The trouble shooting job would have paid Mr. Sisson twenty-five dollars a month less than he was getting in his previous department. (Detroit Rec. 3548, 3549) The Company claimed that Mr. Sisson's department showed lack of cooperation, that he, Mr. Sisson, did not follow orders, and that there was a large amount of scrap in his department. (Detroit Rec. 3548) Mr. Thall, the Personnel Officer, reviewed the case and advised Mr. Sisson to take the trouble shooting job. He said that he would do his utmost to get Sisson his previous rate of pay. (Detroit Rec. 3549) The Hudson Chapter of the F.A.A. informed Mr. Sisson that they did not feel that it was proper for him to take the trouble shooting job. (Detroit Rec. 457) Consequently, he was paid off by the Company. Mr. Sisson stayed away from work about four weeks. A committee of the Foreman's Association wished Sisson to be returned to his job so that he could be "negotiated off" the job in the proper manner, a manner that would become his position as general foreman. (Detroit Rec. 457) Witness for the foremen testified that Mr. Sisson was eventually put back on his job and remained there for about four hours. (Detroit Rec. 458) Then he was put on postwar work for which he receives his previous rate of pay. (Detroit Rec. 3551)

Mr. Sisson testified in his own behalf and said he had individually tried to discuss his case with the Management and attributed being put back on the job to the efforts of the Foreman's Association (Detroit Rec. 529)

9. Seniority. One of the demands incorporated in a communication drafted at a meeting of supervisors on April 30, 1944, was for:

"(3) Seniority rights for all foremen and supervisors to be recognized by Hudson Motor Car Company."

"Same to be Company wide. (Detroit Rec. 468)"

Witness Hornett claims there were grievances over the lack of observance of seniority, and he cited the case of a man who had been with the Company for a year and who had been promoted to be a general foreman without the older men being tendered the job. (Detroit Rec. 493-494) The Company made no answer to this complaint because it was unable to check the incident. (Detroit Rec. 3565)

Mr. Hornett referred to a leader who had been promoted to a special assignment on salary, and expressed his opinion that other foremen in the division should have been given consideration. Witness was unable to give the name of this man. (Detroit Rec. 494) The Company said the man's name was Jack Milan and that he was given a job as a tool trouble man. (Detroit Rec. 3564) The job pays a little more than some of the lower levels of foremen but ultimately it does not pay as much as a foreman received. The Company said it did not desire to transfer a man out of a place where he was experienced and put him in a place where he had no experience at all. (Detroit Rec. 3565)

It was said that the superintendent on one occasion demoted four foremen of the DNX Department and set them back to operators' or job-setters' jobs. (Detroit Rec. 496) The Company answered that there was a curtailment in the DNX contract, and these men had to be placed somewhere; and that there has been no further complaint. (Detroit Rec. 3566)

A foreman accumulates seniority in relation to rank and file employees if he had hourly rate experience at Hudson's, and had belonged to a local of the C.I.O., otherwise not. (Detroit Rec. 3490)

The Company considers the principle of seniority to be unworkable as a determining factor in making promotions or demotions in the higher levels of supervision; it contends that unless promotion is on ability and merit there is a destruction of individual incentive. (Detroit Rec. 3519 ; Company Brief, 15)

10. Grievance procedure. There has been a form of grievance procedure at Hudson. The foremen have a committee of three, one of whom has been elected from each plant. (Detroit Rec. 442) This Committee went to the employment manager, Mr. Thall, and after a few meetings was passed on to Mr. Jack Webster. (Detroit Rec. 454)

Although the Committee has met with Management it understands it is not recognized and cannot bargain. (Detroit Rec. 477-479) All agreements or arrangements are strictly verbal. (Detroit Rec. 483) The members of the Committee when it meets with Management, apparently infrequently of recent date, are not docked for time spent in the discussion. (Detroit Rec. 480) The highest achievement of the Committee was the settlement of the Sisson episode. (Detroit Rec. 456) In addition the foremen claim some credit in that since their organization, they have received premium pay for overtime, and an effort has been made to get them back into the grievance picture. (Detroit Rec. 493)

Witness read a letter written on May 30th last by Vice President Swegles, to the effect that Management would discuss with an individual supervisor his own problems. (Detroit Rec. 489; see Company Ex. 20) The feeling of the supervisors, as expressed by the witness, is set out in his spontaneous answers, here and there in the testimony. He testified that individual bargaining is ineffective, as men are afraid of repercussions, and as an illustration he said he could have brought some witnesses before the Panel, but they were afraid to come. (Detroit Rec. 500); that the Executive Board of the Hudson chapter of the Foreman's

Association directed the witness, who was president of the chapter, not to talk to Management alone. (Detroit Rec. 486-A); that the Company, notwithstanding the Committee, still makes arbitrary decisions. (Detroit Rec. 496)

It is the lack of a grievance procedure which is "the only reason for the existence of the Chapter" (Detroit Rec. 504) and collective bargaining is their ultimate aim. (Detroit Rec. 505) Most of the supervisors say to the Association "We don't care what you call it. You get us something in black and white." (Detroit Rec. 505)

In this case the Company made an opening statement wherein it expressed itself definitely as opposed to the grievance procedure, and it stated that it would refuse to hold any further meetings with any group or committee which assumed to bargain collectively for its foremen. (Brief 7) Witness Waldron for the Company stated that although the Company was not willing to bargain with a committee, it is willing to listen to a committee which has grievances to present. (Detroit Rec. 3543) The Panel is forced to conclude that despite the Company's discussion of some grievances with their foremen, the procedures have been demonstrably inadequate to maintain harmonious relations with the supervisors. The Company should be directed by the Board to establish grievance machinery corresponding to that outlined in Section XXX of this report.

XIX. THE MARYLAND DRYDOCK COMPANY

1. Background. The Maryland Drydock Company is engaged exclusively in ship repair and ship conversion. It has one plant at Baltimore, Maryland. The Company has expanded during the war to eight to ten times its normal work force. It now employs approximately 9,000 men of whom about 850 are supervisors. The employees involved in this dispute are three classes of supervisors - temporary supervisors, working leaders, and leaders.

Since February, 1949, the Company has been in continuous contractual relation with Local 31 of the Industrial Union of Marine and Shipbuilding Workers of America as representatives of the production employees. In the first year of the relationship of the Company with Local 31, the union insisted upon excluding all supervisory employees from bargaining. Later the attitude of Local 31 changed, and it attempted to bargain for the supervisory employees. These efforts led to the well-known decision of the National Labor Relations Board in the Maryland Drydock case on May 11, 1943 in which the Board ruled that supervisory employees do not constitute an appropriate unit for collective bargaining. Local 31 then sought recognition as representative of the supervisors in a case before the Shipbuilding Commission (case #25-397D, WLB and #111-2685D). The claim of Local 31 to represent the supervisors was again denied.

After the supervisors failed to obtain representation through Local 31, they sought to negotiate as a separate group. The majority of the supervisors involved in this dispute are members of Local 31. (Washington Rec. 388). The supervisors meet regularly once a month, but they have established a negotiating committee of seven. All members of this committee are members of Local 31. In addition, the supervisors have established an advisory committee of 21. About half of this committee are not members of Local 31. (Washington Rec. 68) On November 20, 1943 the supervisors filed demands with the company for wage increases, reclassification of temporary supervisors, vacation and sick leave with pay, recognition, grievance procedure, and arbitration. Although the company was willing to meet a committee of supervisors, a dispute arose because the supervisors wished to have a representative of Local 31 present at the negotiation. This led to a strike November 26 to December 1, 1943. This dispute was certified to the Board on January 4, 1944.

2. Wages. The supervisors have demanded that temporary supervisors be paid 15 cents an hour more than the highest rate paid in the craft within which they perform supervisory duties. The temporary supervisors are the lowest rank in management. The rate of compensation for temporary supervisors has been included in the agreement between the employer and Local 31. Consequently the Shipbuilding Commission has passed on this rate and has set a differential of 10 cents between the temporary supervisors and the highest rate paid in the craft which each man supervises. (Washington Rec. 221) The Panel sees no reason for changing this differential.

Data submitted by the company at the request of the Panel Chairman show that 399 out of a total of 533 working leaders on July 15, 1944 received either \$1.35 or \$1.38 an hour; 114 working leaders received

- from \$1.07 to \$1.27 per hour; and 22 working leaders received \$1.43 or \$1.48 per hour. Fifty-nine out of 119 leaders received \$1.43 per hour.
- Out of 1,355 first-class mechanics, 644 received \$1.13 per hour; 658 \$1.20; 46, \$1.27; and 7, \$1.31. There were 18 specialists receiving \$1.38 per hour.

The data submitted by the company show the following relationship between the compensation of working leaders and the highest first-class mechanic's rate paid in the department.

No. difference	22
7 cents	25
8 "	22
11 "	34
12 "	2
15 "	254
16 "	8
17 "	4
18 "	83
21 "	9
22 "	3
25 "	2
30 "	1

In three departments, labor, salvage, and stage building, no comparison is made because no first-class mechanics were employed. In the outside machinist department, the comparisons between the compensation of working leaders and first-class mechanics was based upon the first-class rate of \$1.27, although one first-class mechanic received \$1.31. Fourteen first-class mechanics received \$1.27 and 76 received \$1.20 or \$1.13. In the toolroom the first-class mechanic's rate was taken as \$1.20, although one man received \$1.27. Nineteen men, however, received \$1.20 or \$1.13.

The above data show that 359 out of 479 working leaders receive from 15 cents to 18 cents an hour more than the highest rate paid first-class mechanics; 105 receive no differential or a smaller differential than 15 cents and that 15 receive a larger differential than 18 cents. The relationship between the compensation of leaders and the highest first-class mechanics rate paid in the department is as follows:

Difference	Number
5 cents	1
7	1
15	8
16	8
18	18
21	14
23	51
26	1
37	5
40	1
46	2

Out of 110 leaders 83 received from 18 cents to 23 cents an hour above the highest rate paid first-class mechanics.

The problem of making fair comparisons between departments is complicated by the fact that in some departments, such as the machine shop or the shipfitting, a small fraction of the first-class mechanics receive a higher rate than the bulk of the first-class mechanics. In a machine shop, for example, 6 out of 74 first-class mechanics receive \$1.31 an hour, and the remainder receive \$1.27 an hour or less. In the shipfitting department 11 out of 96 first-class mechanics receive \$1.27 and 85 receive \$1.20 or \$1.13. It is not unreasonable to have the differential based upon the rate which the bulk of the workers receives rather than the rate which a few of the highest paid first-class mechanics receive. To do otherwise might introduce inequalities between working leaders of similar skill and responsibilities. The wages of the workers supervised, of course, are not necessarily the only factors which should determine the compensation of supervisors.

The substantial number of working leaders whose differential is less than the typical difference of 15 to 18 cents indicates that a review of this differential is needed. The evidence of possible inequalities in the case of leaders is less convincing than in the case of working leaders. Nevertheless, a review of the differential would be desirable. Over 20 departments are involved and the conditions in these departments are likely to be different in important respects. The record before the Panel is not sufficiently informative to permit the Panel to make well-grounded recommendation to the Board. The company should be able on its own initiative to work out needed correction in the differentials of working leaders and leaders above first-class mechanics - a correction which will be approvable under the wage stabilization program. The grievance procedure recommended by the Panel in Section XXX of this report will enable management to obtain the views of the working leaders and leaders. If the company is unable to work out a correction of the differentials, the proper agency to consider the problem would be the Shipbuilding Commission.

3. Vacations. The Committee of Supervisors asks that employees who have been in the service of the company for one year or more shall receive a vacation of two weeks in each calendar year with 96 hours' pay. At the present time hourly rated supervisors receive vacations of one week after one year's service and two weeks after five year's service. The argument of the supervisors is that the working leaders and leaders should be given the same treatment as other people in the company who are part of management. Those leaders who happen to be on a salaried basis are already receiving two weeks' vacation after one year's service. There are 11 salaried leaders out of 119. (Washington Rec. 334) Counsel for the union concedes that the vacation rules of the company for hourly paid supervisors are typical of the industry. (Washington Rec. 334) The Panel recommends no change in the vacation plan.

4. Sick Leave. The Committee of supervisors asks that no deduction from the pay of the supervisory employees be made for brief absence due to illness. In the case of an illness resulting in a continuous absence of more than three days, the supervisory employee will be granted 48 hours pay for each of the first two weeks of such absence, and the difference between 48 hours' pay and the amount of group insurance benefits received by him or which he would receive if he were covered by the company's group insurance policy for each of the two succeeding weeks of such absence.

The Panel's recommendations on sick pay are contained in Section XXVI of its report.

5. Seniority. The Committee of supervisors asks that demotions among supervisors be governed by length of service, including both length of service as a rank and file employee and length of service as a supervisor. It asks that where the skill and ability of supervisory employees are fairly equal, promotions will be governed by length of service in the supervisory classification below the one to which promotion is to be made. (Washington Rec. 363-365) The Panel believes that the weight which should be attached to length of service in making promotions and demotions of supervisors should be determined in each case by management. The Panel's views are expressed in Section XXVII and XXVIII of this report.

6. Demotion for Grievance procedure. The supervisors ask that grievance machinery be established with representatives to receive grievances in each department and an umpire to whom deadlocked cases may be appealed. The Committee of Supervisors says that since December, 1943, it has had no difficulty in seeing responsible officials of the company in regard to grievances. (Washington Rec. p. 8) Meetings have been held almost every month. The management says that it will receive the representatives of the supervisory group "at any time that they wish to come in, but that it will not 'recognize' them as representatives of the supervisory group." (Washington Rec. 101-102)

The Panel believes that grievance machinery should be established which meets the specifications outlined in Section XXX of this report. For the reasons given in Section XXXI of the report the Panel does not believe that the grievance procedure should terminate in arbitration by a neutral.

7. Demand for a limited probationary period for temporary supervisors. The supervisors' committee asks that a limit of 30 days be applied to service of men as temporary supervisors. At the end of this period the man would either be promoted to working leader or demoted to the ranks. In time of peace the term temporary supervisor meant what its title implies--man temporarily elevated to supervision. (Washington Rec., 256) The sudden expansion required by the war led to a great increase in the number of people called temporary supervisors. In May, 1943, there were 171 working leaders and 502 temporary supervisors. (Washington Rec., 264) Most of the so-called temporary supervisors had ceased, in fact, to be temporary supervisors in the pre-war sense of the term. They had held the job for many months. The Company has endeavored to correct this situation. In July, 1944, there were 544 working leaders and only 156 temporary supervisors--a reversal of the ratios which were obtained 14 months earlier. (Washington Rec., 264)

The Company says that during the war the occupation of temporary supervisors should serve three purposes: (1) it should be probationary for the occupation of working leaders; (2) it should serve the same purpose as it did before the war, when a temporary supervisor is appointed to replace another supervisor who may be on vacation; (3) the occupation may employ the capacity of people who may be able to perform the duties incident to the first step in supervision, but who do not have the capacity to go beyond the first step. (Washington Rec., 256, 257)

Illustrative of the third point, the Company says that there are certain kinds of work which need a little more than watching over to assure that the people are doing their jobs properly. This is the kind of work which might be done, according to the Company, by a limited temporary supervisor. The working leaders, however, should be able to instruct and to do a difficult phase of the job that the workman could not do. The working leaders should also be competent to order materials and to see that they got on the job. The Company believes that there are opportunities for limited temporary supervisors particularly in the laboring department, in the stage building department, and in certain stages of the iron working department where the work is relatively simple. (Washington Rec., 259, 260) The Company asserts that if it were required to consider work as temporary supervisors as probationary for the job of working leader or to promote or demote temporary supervisors after a limited period of time, it would be compelled to demote many temporary supervisors to the ranks. (Washington Rec., 257-258)

The Panel is not impressed with the distinction which the Company endeavors to draw between temporary supervisors who are capable of becoming working leaders and those who are not capable of becoming working leaders. It believes that the job of temporary supervisors should either be temporary, in the pre-war sense of the term, or should be probationary for the position of the working leader. Within a 30-day period the management should be able to determine whether a temporary supervisor will make a satisfactory working leader. The Panel recommends, therefore, that men shall not be kept as temporary supervisors for more than 30 working days.

XX. THE MURRAY CORPORATION OF AMERICA.

1. Background. The Murray Corporation of America has four plants which in May, 1944, employed nearly 14,000 employees. All of the plants are engaged exclusively in the production of war goods. Only the Main and Ecorse plants, are involved in these proceedings. Some of the supervisors in the Main division, however, were involved in the strike which occurred in May, 1944. In June, 1944, the Ecorse and Main plants employed about 10955 employees of whom 599 were department, shift, or section supervisors. The Ecorse plant is engaged in manufacturing frames for large military trucks. (Company Statement, 1) The Main plant is engaged in aircraft assembly. (Detroit Rec. 1046)

The supervisors of the Murray Corporation involved in these proceedings are represented by Chapter 34 of the Foreman's Association of America. This chapter was chartered on May 2, 1943. Organization among the supervisors at the Ecorse plant occurred as early as 1938 when some of them belonged for a time to a foreman's local in the C.I.O., known as Local 918. This organization was discontinued at the time of the Chrysler strike in 1939. (Detroit Rec., 924) In February, 1942, the department supervisors, shift supervisors, and section supervisors at the Ecorse plant again formed an association. It was known as the Murray-Ecorse Supervisors' Association. (Detroit Rec. 932) This association proposed that management sign the following agreement:

"The management of the Murray Corporation of America does hereby agree that the Supervisors' Association of the Murray Corporation of America, Ecorse Plant No. 7, have the right to decide jointly with management all details which pertain to the rates of pay, working conditions, and all matters which have to do with the welfare of the members of the Supervisors' Association of the Murray Corporation Plant No. 7." (Detroit Rec. 926)

The Company refused to sign the proposed agreement and suggested instead that meetings be held regularly once each month and that the committee of supervisors give management ten days prior to the meeting a list of grievances which would be brought up. (Detroit Rec. 927) A number of meetings were held and a number of grievances disposed of. For example, the foremen obtained a telephone line to an outside assembly shanty, definite parking spaces for foremen, additional lockers for foremen, and an agreement that foremen with greater seniority would receive the choice of shifts. (Detroit Rec. 927, 928, 929) The supervisors' committee undertook to make suggestions for promotions and protested the selection which the Company made to fill the position of tool shop supervisor. (Detroit Rec. 935, 936, 944, 945) After a few months the meetings between the management at Ecorse plant and the foremen were discontinued.

After several unsuccessful requests to obtain recognition from the Company, the Murray-Ecorse Employees' Association, on November 19, 1942 filed with the National Labor Relations Board a petition for investigation and certification of representatives pursuant to the provisions of the National Labor Relations Act. After hearings before a trial examiner on January 7, 1943 the National Labor Relations Board, on February 24, 1943, established three units appropriate for the purposes of collective bargaining: one including department supervisors, one including shift supervisors, and one including section supervisors. Elections were held on March 26, 1943. Upon motion by the Company for reconsideration of the Board's decision of February 24, 1943, the National Labor Relations Board ordered that the scheduled elections proceed, but that the ballots be impounded and not counted

pending further decision of the Board. On July 6, 1943 the National Labor Relations Board, in a supplemental decision and order, reversed its previous decision and "for reasons set forth in the Maryland Drydock Company case" found that the department, shift, and section supervisors did not constitute units appropriate for the purposes of collective bargaining and dismissed the petition of the Association. (Detroit Rec. 970-972)

A dispute arose in May and June, 1943, between the supervisors in the Ecorse plant and the Murray Corporation over the discharge of a foreman and the refusal of the Company to negotiate the matter. Mr. Robert H. Keys, president of the Foreman's Association of America, appealed to the United States Conciliation Service for help in adjusting the matter. Failure to adjust led to a short strike among the supervisors of the Ecorse plant on July 10, 1943. (F.A.A. Exhibit 6 and Detroit Rec. 973) The Foreman's Association asserts that the walk-out was unauthorized. Immediately after the walk-out on July 12, 1943, the Foreman's Association filed a dispute notice pursuant to the War Labor Disputes Act. Upon certification of the dispute to the War Labor Board, Mr. Keys withdrew the 30-day dispute notice filed by the Foreman's Association of America.

On November 4, 1943 a hearing was held by the automotive staff of the Detroit Regional Labor Board on the question of the Board's jurisdiction in the dispute. On January 6, 1944, the National War Labor Board held a hearing on the question of its jurisdiction in the Murray case and five other cases involving supervisory employees.

On April 29, 1944, the officers of the Murray chapter of the Foreman's Association of America addressed a letter to Mr. Glen Stock, supervisory counsel of the Murray Corporation, in which they listed the following three grievances on which they asked a reply by Wednesday morning, May 3, 1944:

"1. Reinstatement of the following supervisors pending negotiations:

Edward Ford
Joseph Smela
Henry Hansen
William Husben
Roy Kellmorgan

2. Recognize a proper system of seniority in demoting or promoting supervisory employees.
3. Removal of Mr. Kuhn for his dictatorial methods in handling those men under him." (Company Exhibit 34)

Two days after the deadline, namely May 5, many of the supervisors in the main plant of the Murray Corporation joined the strike of foremen which had begun in the Briggs plant on April 27 and had spread to the Hudson plant on May 1, and the Packard plant on May 3. None of the foremen in the Ecorse plant of the Murray Corporation, the plant involved in these proceedings, joined the strike of May 5. Mr. Keys says that he wired them from Washington to remain at work. (Detroit Rec. 1277)

2. The general level of compensation of supervisors. The union concedes it has no complaints as to salary rates, as such. The principal witness, Mr. Balcom who was in the lowest level of supervision received \$5014 during 1943, and he admitted that the majority of the supervisors have no wage grievances. (Detroit Rec. 721) In its brief (p. 2) the Association admitted inadequacy of pay was not an important question at the hearing. It said:

"(a) Inadequacy in the pay of foremen was not an important question at the hearing, and only a small amount of testimony was taken on the subject, for the reason that neither this Panel nor the Board is primarily concerned with having definite and adequate machinery for promptly handling cases of inadequacy of wages or excessive hours, when the same arise. But to be without any means or machinery to consider foremen's demands for adjustment of salaries, wages, or hours, is like operating a powder factory without fire prevention."

3. Lack of uniformity in the compensation of supervisors doing the same or similar work. There is no substantial grievance concerning lack of uniformity in rates of pay. Witness Balcom said: "There are variations, but there are very few variations". (Detroit Rec. 621) Again he said in relation to this subject (Detroit Rec. 725):

Q. What is the grievance, now? Let us just understand this.

A. The grievance is very minor.

Q. Very minor?

A. That's right.

The cases of three supervisors were mentioned. These men had gone to the general supervisor to inquire why they were not receiving full rate for the job classification, and they claim they got no results. (Detroit Rec. 657, 658)

On cross examination, Witness Balcom freely admitted variations in wages was not a grievance. (Detroit Rec. 724, 728)

4. Insufficient differential in rates between the supervisor and the workers under him. There is no grievance on this score. Witness Balcom said (Detroit Rec. 722):

Q. Now during the course of this strike to which you referred, I think Mr. Keys was quoted in the paper as saying one of the grievances that supervisors made less in many of the operations than the hourly production workers they supervise. Do you recall that statement in the newspapers?

A. No, I do not.

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Q. Very minor?

A. That's right.

The cases of three supervisors were mentioned. These men had gone to the general supervisor to inquire why they were not receiving full rate for the job classification, and they claim they get no results. (Detroit Rec. 657, 658)

On cross examination, Witness Balcom freely admitted variations in wages was not a grievance. (Detroit Rec. 724, 728)

4. Insufficient differential in rates between the supervisor and the workers under him. There is no grievance on this score. Witness Balcom said (Detroit Rec. 722):

Q. Now during the course of this strike to which you referred, I think Mr. Keys was quoted in the paper as saying one of the grievances that supervisors made less in many of the operations than the hourly production workers they supervise. Do you recall that statement in the newspapers?

A. No, I do not.

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PAGE(S)**

8. Salary adjustment procedure. The Murray Corporation continually reviews its salary schedules. Company's Exhibit 6 is the standard procedure for hiring supervisors. (Detroit Rec. 112) Exhibit 7 is entitled "Salary rate classification and adjustment policy." It is designed to insure proper consideration be given to every one on salary, and the plan provides for periodic review. One hired as section supervisor where the basic salary was \$315 would receive not less than 75 per cent of it, and might receive up to 90 per cent thereof. Monthly, the rate is reviewed. In cases of exceptional performance the basic rate may be increased 10 per cent. (Detroit Rec. 1115) Exhibit 9 discloses that 72.4 per cent of the supervisors receive the basic rate, that is 100 per cent of their evaluations, 6 per cent are over it and 21.6 per cent of the supervisors are under the evaluation; but it is said only 2.7 per cent of the 600 supervisors are below 90 per cent of their evaluations.

The average earnings of the supervisors are substantial (see Chart 2) and this fact, and the salary adjustment procedure probably accounts for the lack of complaints by Murray supervisors as to rates of pay.^{1/}

9. Demotions, transfers and discharges, and lack of a grievance procedure. Notwithstanding the Association on August 13, 1943, presented the Company with a set of more or less formal demands in letter form (Detroit Rec. 734; Company Exhibit 35) the association has now but a single complaint, and that is the elements of job security, seniority, and grievance procedure compressed into one issue.

Mr. Keys in the presentation of the Foreman's case against Murray Corporation said:

"... the foremen as a group have one major grievance and that is lack of grievance machinery; lack of representation; lack of an opportunity to get redress of their grievances . . ."
(Detroit Rec. 682)

Said Witness Balcom:

"Our prime grievance with the Company is that a man is taken off of supervision and he hasn't got a soul in the world to go to." (Detroit Rec. 659)

Again this witness said:

Q. . . . And most supervisors at Murray have no grievance have they?

A. I would say the majority have no wage grievance. They all have a grievance of wanting to hold their jobs. (Detroit Rec. 721)

^{1/} Mr. Walter McNally, a witness for the union, said: "... until today I believe Murray foremen are among the highest paid foremen in mass production industry (Detroit Rec. 932)

Q. What other grievance have you besides . . .

A. Our one primary reason (grievance?) is when a supervisor is demoted, transferred or discharged, he has nobody to go to." (Detroit Rec. 815)

In many other places in the record occur similar statements. What is uppermost in the minds of the individual foreman is not that the job is bad, but rather the fear of losing his job. (Detroit Rec. 637)

Witness Balcom ties job retention with length of service and says that the Company claims to recognize seniority, all other factors being equal (Detroit Rec. 637), but failure to do so is "one of our biggest grievances." (Detroit Rec. 638) The witness no doubt had reference to the letter of Mr. Avery, the president of the Company, dated March 30, 1944, wherein it was said:

"When personnel changes are made, length of service is given serious consideration and other things being equal is the determining factor." (Detroit Rec. 669)

To sustain its point, the Association developed incidents relating to demotions or discharges of several supervisors. It was made clear that the Panel was not expected to try and to resolve these individual grievances. They were brought forward by the Association as types of things that are alleged to happen frequently, and to resolve which remedial machinery is imperative. These cases include the removal of Earl Gosssett (Detroit Rec. 655), the removal of Harry Nephew (Detroit Rec. 638, 660, 1201), the removal of R. J. Chrisher (Detroit Rec. 635, 636), the demotion of Miller (Detroit Rec. 674), the removal of Eugene Liestner, which was one of the events that led to the strike of May, 1944 (Detroit Rec. 686, 690), the layoff of five supervisors about April 26, 1944, another event which seems to have been connected with the strike of May 3. (Detroit Rec. 694)

Management, in its Exhibit 36 captioned "Grievances mentioned in Frank Balcom's testimony", gave its reply in these instances. Each transfer, demotion or discharge was commented on at length and the answers, in each case if they are true, would establish good cause for the company action. No rebuttal of the Company's position was offered. It is obvious that the Foreman's Association places one inference on the facts and the Company another. Since no grievance was before the Panel for decision on the merits, the only purpose of setting out the cases here is to state the contention of the Association, and to point out that the Company claimed justification in each case.

10. Grievance procedures at Murray Corporation. As explained in the background of the Murray case, the Company has heretofore met a committee of foremen in the Ecorse plant to discuss grievances. This procedure does not seem to have extended beyond the Ecorse plant. The last meeting that the representatives of the supervisors had with the plant management was in October, 1942. (Detroit Rec. 960) Mr. Schulz, who was in charge of the Ecorse plant as plant manager, was transferred and it is said that Mr. Weitzel who succeeded him said that in the game of supervision it was "every man for himself." Thereafter proceedings were instituted before the National Labor Relations Board for certification as the collective bargaining agent for Ecorse foremen. (Detroit Rec. 962)

The Company has set up a supervisory counsellor in the industrial relations division. He has the special responsibility of dealing with the personnel problems of supervisors. A supervisor who has a grievance may take it up with his immediate superior or, if he prefers, he may consult the supervisory counsellor. The supervisory counsellor has no authority to make changes, but he may recommend remedial action. The procedure established is not adequate to assure a prompt and effective adjustment of grievances. The Panel recommends that the Board direct the Company to establish grievance procedure in accordance with the recommendations of Section XXX of this report.

XXI. NEW YORK SHIPBUILDING CORPORATION

1. Background. The New York Shipbuilding Corporation of Camden, New Jersey, is a shipbuilding firm engaged in constructing vessels for the United States Navy. It employs more than 25,000 persons. The dispute concerns 692 sub-foremen, in approximately thirty departments. It does not concern the higher ranks of supervision, at the level of ship and shop foremen and above.

The employees here involved are members of Local 1 of the Industrial Union of Marine and Shipbuilding Workers of America. They constitute a subordinate organization of Local 1. Although the Company deals with Local 1 as the bargaining representative of the rank and file workers, it does not recognize either the union or its subordinate organization as the bargaining agent of the sub-foremen. The sub-foremen appear here as a group of employees and not as a union.

Two attempts to obtain recognition and bargaining rights for the sub-foremen have been made by the union. A petition before the National Labor Relations Board was dismissed July 12, 1943 in accordance with the Maryland Drydock decision. The Shipbuilding Commission subsequently disclaimed jurisdiction to determine the issue. On July 29, 1943 the Corporation agreed to recognize a committee of three sub-foremen as a grievance committee. It has since faithfully complied with its promise to recognize the committee and to discuss disputes, complaints, and grievances of the sub-foremen. (Statement on Behalf of the Sub-Foremen, 8) As a result of disputes over classifications and compensation work stoppages occurred in September, 1943. The issues were submitted November 8, 1943 to the Shipbuilding Commission of the War Labor Board. On May 5, 1944, the Sub-foremen's Committee requested the Company to grant arbitration as a final step in the grievance procedure, information on rates of pay, seniority in demotions, and an adjustment in vacation pay. This issue was certified to the Board June 1, 1944, and referred to this Panel. The information on rates of pay has been supplied by the Company.

The attitude and policies of the Company in this case are notably different from those in all of the other companies before the Panel. Although the sub-foremen are considered arms of management and have membership in the union of the rank and file workers, the Company does not consider that such membership has interfered with the performance of supervisory duties. (New York Shipbuilding Rec. 102). The Company would prefer to have production workers put on an inactive status in the union when they become sub-foremen, and has proposed this to the union, but it has not pressed the suggestion. It has conferred with its sub-foremen and it has worked out a grievance procedure in which the sub-foremen participate. While such grievance machinery has furnished a basis for settling many minor grievances, it did not prevent work stoppages in 1943.

2. Wages. Sub-foremen are paid a salary based on a 40-hour week, and are paid overtime for all hours worked over eight in one day and over 40 in one week. The weekly salaries of first-class sub-foremen are \$75.84; second-class \$71.34; third-class \$63.84; cleaner sub-foremen \$57.12. These employees are allowed sick leave and excused time off for personal business. Since October 1943 they have worked 52 hours weekly

with pay for 58 hours. They have had a year-end bonus of 8 per cent of their base pay for the year, and a 7 per cent premium is paid for the night shifts. The compensation of these sub-foremen is said to be the equal of that of a Colonel or Brigadier General. (New York Shipbuilding Rec. 80) No issue is before the Panel over the level of compensation. The issues which arose in 1943 concerning classification and compensation have been heard before the Shipbuilding Commission (Case No. 111-4873-D) and a decision has recently been handed down.

3. Vacation pay. The vacation pay of sub-foremen is two weeks at the basic weekly salary for a 40-hour week. For two years these employees have been working 48 or 52 hours per week with overtime. The production workers receive vacations with pay computed on their total annual earnings at 2 per cent for one week, or 4 per cent for two weeks. Sub-foremen, considering their rank temporary, desire vacation compensation computed as for production workers, on annual earnings at 4 per cent. The proposal was rejected by the Company. So also was a compromise proposal that the allowance be computed on a 48-hour week with overtime for that number of hours. The Company explains that the present vacation compensation is the same for all salaried employees; that the arrangement is not unfair in relation to anybody else; and that to change it would require similar adjustments for ship and shop foremen and others up the line. (New York Shipbuilding Rec. 81) Since salaried employees have other benefits not available to hourly rated employees, the Panel does not find the present vacation compensation inequitable.

4. Seniority. The policy of this Company in promoting men from the ranks to sub-foremen positions and in demoting sub-foremen back to the ranks when cut-backs occur appears to be well established. The union asks for a rigid seniority rule but limits its request to demotions.

The present policy of the Company was announced by Mr. H. E. Parker, industrial relations manager of the Corporation on August 30, 1943.

"Management's Policy Concerning Seniority Standing of Sub-Foremen

- "1. Seniority standing of sub-foremen shall be determined by their skill and by their length of service.
- "2. Whenever skill and ability are fairly equal, length of service shall be the determining factor.
- "3. Length of service shall be determined by years and months of service employed as a sub-foreman, in the craft, in the department where he is employed.
- "4. If a reduction of force is made necessary, due to lack of work, sub-foremen shall refer it back to the skilled classification from whence they came, and in that classification shall be given credit in length of service for time spent as sub-foremen in that craft."

This was interpreted by the sub-foremen to mean that the last man in a craft and in a department to become a sub-foreman would be the first

reduced in rank if there were a contraction in staff. The interpretation became important on April 3, 1944, when it was necessary for the Corporation to eliminate one of the shifts in the Sheet Metal Department (New York Shipbuilding Rec. 39) and to demote a number of sub-foremen. The Corporation did not follow the expected procedure and instead demoted sub-foremen who had a great deal more seniority than those that remained. (New York Shipbuilding Rec. 40).

Two reasons were advanced for this when the question was raised as a grievance: first, that seniority was followed not on a department-wide basis but rather by crafts within the department; and secondly, that, according to the statement of August 30, skill and ability were to be the determining factors. (New York Shipbuilding Rec. 40, 41)

The sub-foremen argued that this department could not and should not be divided into crafts for the purpose of determining seniority and order of demotion, that the sub-foremen had been shifted from job to job within the department and therefore they were all equally capable of handling any of the sub-foremen's positions within that department. (New York Shipbuilding Rec. 41)

The sub-foremen proposed straight seniority when reductions are necessary due to lack of work. (New York Shipbuilding Rec. 46; Employees Brief, 10) Seniority would be determined within the department except that it might be determined by craft in a department where more than one craft is employed.

Colonel Gardner in discussing the demand stated that the policy followed was that applied to the rank and file employees. The Company cannot tie its hands in promotions and demotions. The same argument is made here as in the Maryland Drydock case that merit and ability are factors that must govern in demotions as well as in promotions. (New York Shipbuilding Rec. 45-48) The Company reserves the right to keep or promote the men it considers most suitable. (New York Shipbuilding Rec. 69, 70) The Panel's recommendations regarding seniority appear in Sections XXVII and XXVIII of this Report.

5. Arbitration in the grievance procedure. The grievance most seriously pressed by the sub-foremen is that calling for arbitration as a final step in the handling of grievances.

This is the only one of the companies before the Panel which has a formal grievance procedure in which the supervisory employees participate through a committee. On July 29, 1943, Mr. H. E. Parker for the Company agreed to establish such a procedure. The agreement provides:

"The Corporation will recognize a committee of not to exceed three Sub-foremen as a Grievance Committee providing such Committee is elected by the Sub-foremen for such purpose.

Any dispute, complaint or grievance of any Sub-foremen shall be referred by the Sub-foremen concerned to the Department Head, and any Sub-foreman may be accompanied by one or two members

of the Grievance Committee if he so desires. If the dispute cannot be adjusted by the Department Head, the complaint in the same manner may be presented to the Industrial Relations Manager or direct to the General Manager.

All of the foregoing without prejudice to anyone concerned."

The employees concede that the Company has faithfully carried out its commitment, but it explains that no provision is made for the disposition of any dispute which the representatives of the parties cannot settle by agreement. The sub-foremen now wish to add to this procedure as a final step the arbitration of unresolved grievances by resort to a neutral. (New York Shipbuilding Rec. 23) It is indicated that on individual grievances slightly more than half are resolved in favor of the sub-foremen, but questions of basic policy such as vacations, seniority, etc. cannot be resolved satisfactorily. (New York Shipbuilding Rec. 24)

Two reasons are offered in support of this demand by the sub-foremen. The first is the desirability of reaching a decision quickly. The only method at present is by certification to the National War Labor Board. But that takes a long time. Secondly, a better job of settling these grievances is possible if an arbitrator is appointed or chosen who can become thoroughly familiar with the specific problems at the yard. (New York Shipbuilding Rec. 24-27)

The Company believes that the present grievance machinery is adequate (New York Shipbuilding Rec. 87) and that the Company and the employees are able to resolve grievances satisfactorily without arbitration. The Panel's views regarding this proposal are to be found in Sections XXV and XXXI of this Report.

XXII. PACKARD MOTOR CAR COMPANY

1. Background. This company was organized in 1903. Prior to the present war its principal business was manufacturing automobiles. In 1939 it started tooling and preparing for defense work, first producing marine engines. (Detroit Rec. 3076) Since 1940, it has been making Rolls Royce engines, and it was in full production at the time of Pearl Harbor. (Detroit Rec. 3077) It is now engaged wholly in war work. In times of peace, the Company ordinarily employed around 8200 persons (Detroit Rec. 3099), but as of June 1st, 1944, there were 39,020 hourly rated employees (Detroit Rec. 3088) and a little less than 900 foremen. (Exhibit 24)

The foremen of the Packard Motor Car Company received a charter from the Foreman's Association of America on October 13, 1942. In November they requested conferences with the management for purposes of collective bargaining. Several meetings were held, the first being on December 4, 1943. (Detroit Rec. 113-4) A consent election on February 24, 1944 gave the Foreman's Association of America 486 votes to 2 against. (Detroit Rec. 113) Through a misunderstanding the agreement for a consent election contained a provision by which the Company agreed that the foremen constituted an appropriate unit for purposes of collective bargaining. Subsequently the Company, contesting, refused to recognize or bargain with the Association (Company Statement 3-4), although a three-man committee of foremen continued unofficially to deal with management in the settlement of grievances and still does. (Detroit Rec. 115, 116) On May 21, 1943 the Association requested a resumption of negotiations and submitted a proposed contract. Then on August 30, 1943 it sent its typical letter of complaint setting forth 13 grievances and demands (Company Exhibit 6). A considerable number of these demands were for negotiation with Foreman's Association of America. On November 5, 1943 a further letter of complaint was addressed to the Conciliation Service, requesting certification of the dispute to the Board. This letter set forth grievances concerning: recognition, negotiation, seniority, sick leave, temporary adjustments in compensation, overtime, wages and salaries, classification, bonus for night shifts, assignment of work, and vacations. On December 11, 1943, the case was certified to the Board. (Company Statement 2) The jurisdiction of the Board was discussed at a hearing in Washington on January 6, 1944. On May 3, 1944, the foremen went on strike without serving any demands upon the Company (Detroit Rec. 3252), and without complying with the procedures required by state or Federal laws. This strike was simultaneous with others in the Detroit area. The men returned to their jobs on May 17, the day before the Board's resolution authorizing this Panel.

2. General level of compensation of supervisors. The salaries paid to supervisors do not seem to constitute any substantial grievance. Testimony was given as to the pay different levels of supervision received, but criticism by the foremen was not directed at the rates as much as matters incidental to the salary schedule. Most of the assistant foremen are paid by the hour, on rates ranging between \$1.30 and \$1.50. Some of the assistant foremen however are on salary receiving from \$250 to \$260 per month. (Detroit Rec. 120) Foremen and general foremen are paid a monthly salary. The Company stated the salary ranges to be the following:

General foremen in productive and miscellaneous departments (Detroit Rec. 3134)	\$260 to \$330 per mo.
General foremen in skilled trades	\$304.50 to \$383.25 per mo.
Foremen in production and miscellaneous departments	\$220.50 to \$315.00 per mo.
Foremen in skilled trades (Detroit Rec. 3135 - Exhibit 24)	\$278.25 to \$283.25 per mo.

There was no evidence that the salary paid Packard foremen was out of line with salaries paid foremen of similar classification in the area. The Company said the division of supervision into salary and hourly rated groups was purely historical.

Company Exhibit 24 shows that the average earning per month of foremen for the first quarter of 1944 was \$494.54 per month, (practically \$6,000 per year), and Mr. Turnbull, one of the witnesses of the Association stated he was making about \$600 per month (Detroit Rec. 186).

3. Complaint that the differential between compensation of foremen and workers under their supervision is inadequate. The foreman gave testimony that an hourly-rated assistant foreman might receive between \$1.30 and \$1.50 per hour while there might be a leader or job-setter making \$1.40 or \$1.45, and that the differential was only 5 or 10 cents. This had been complained about and the employer said he would do what he could about it. (Detroit Rec. 129-130) This differential might entirely disappear if overtime is worked. (Detroit Rec. 158) It was said that in the tap inspection department, the leader receives \$1.50 per hour, which is the basic rate of the foremen; because of overtime, the worker receives more than the supervisor. (Detroit Rec. 153-154) The Company did not deny that lack of differentials in isolated cases. It said it was fundamental that the foreman should be paid more than the men he supervised. (Detroit Rec. 3241) The Company submitted figures showing that, on the average earnings base, the foremen received for the first quarter of 1944 \$496.54, whereas the top rated-hourly employees reporting to the foremen had \$392.76 during this same period. Thus the foremen averaged 26 per cent more than the top hourly-rated man. Since all hourly-rated men averaged \$310.42, the foremen were paid 60 per cent more than that group. (Detroit Rec. 3202, 3203)

The figures were further broken down to show that there were only 14 cases where the earnings of the top hourly-rated men exceeded that of their immediate supervisor. These are explained in detail by the Company. (Detroit Rec. 2303) In some cases, the hourly-rated men worked longer; in some instances the hourly rated employee was a highly skilled man performing work which the foreman himself could not do. (Detroit Rec. 3204) In a few cases overtime was the cause. (Detroit Rec. 3204)

Since only fourteen cases occurred in four months out of a possible 872, the Company does not believe that there is any substantial showing of a lack of proper differential as between the rates of pay of the foremen and of the men reporting to them.

The foreman - Witness Bounin - who complained that a tap-setter earned more than he did, could not, it was said, do the work which the specialist was doing; and inasmuch as three employees reporting to Mr. Bounin had hourly rates at \$1.25, \$1.27 and \$1.29 per hour, whereas Mr. Bounin's hourly rate was \$1.50 per hour, the men obviously worked longer hours than he did. (Brief 16) The Company asserts that any inequalities when discovered, were and will be, corrected. Counsel claims it is to the credit of the company that although all of the foremen were canvassed, there was so little found that could be complained of. (Brief 17)

4. Complaint that compensation for overtime, Saturday and Sunday work is inadequate. There was considerable testimony on the subject of overtime and Saturday and Sunday pay; more indeed than appeared warranted in view of the ultimate admissions of the foremen. Hourly-rated foremen received overtime as provided under the Fair Labor Standard Act and Executive Order 9240, and there is no overtime problem insofar as these supervisors are concerned.

The foreman on salary receives overtime up to 10 hours each day. (Detroit Rec. 121) The hourly-rated foremen receives time and one half for over 40 hours a week as well as time and a half for Saturday and double time for Sunday. (Detroit Rec. 142) If, however, the salaried foreman works on Saturday, he receives time and one half up to five hours; and the salaried foreman receives for Sunday work time and one half. (Detroit Rec. 122-123)

The foremen say that they are dissatisfied with the present set up and want time and one half for overtime work and double time for the seventh consecutive day. In other words they desire to come under Executive Order 9240 (Detroit Rec. 124) without apparently getting off the salaried basis. It is said that what the foremen complain most of was the lack of overtime pay (Detroit Rec. 156). The foremen state that the present payment of overtime went into effect March 1st, 1942. (Detroit Rec. 159) At one time the men refused to work on Sunday. (Detroit Rec. 170)

The Company explained the premium pay situation as follows: Prior to Pearl Harbor there was no program of overtime for supervisors, and no formula for overtime compensation had been established, although increases were given on an individual basis to men who seemed to be entitled to them. But in January and February of 1942, overtime became persistent and as of March 1st, 1942, the present program was set up. (Detroit Rec. 3107, Exhibit 13) Salaried foremen were exempt from the Fair Labor Standards Act, but the Company of its own accord set up an overtime payment plan which provided that overtime would be paid in excess of 8 hours in any one day or 40 hours in any one week up to the work schedule in the department. Saturday's pay was time and one half,

but there was no double time for Sunday. (Detroit Rec. 3108) The Company said that historically no overtime had been paid to any supervisor before the present war; that overtime pay prior to Pearl Harbor was incidental and that it was inconsequential. (Detroit Rec. 3109) The Company, nevertheless, believes in double time for Sundays and has made application to the Stabilization Unit of the Treasury for authority to pay it. (Detroit Rec. 3120) The Company, however, asserts that the amount of overtime for foremen is not great. It submits a calculation showing that for the month of April the cards of 372 supervisors show that the average overtime was 54 minutes in the entire month. Consequently the company contends that the foremen were not working any amount of overtime without pay under the present system. (Detroit Rec. 3138-3140)

The Company believes that overtime should be paid to the foreman if he works long hours frequently and that if he works on the seventh consecutive day he should receive double time. The Company further says the only reason why the foreman is not paid overtime under Executive Order 9240 is that legally the Company cannot do so. Application has been made to the Stabilization Unit for permission to pay double time for Sunday work, but at the time of the hearing the Company had not received permission to make the payments authorized under the Executive Order 9240.

The significant concession of Mr. Keys would seem to dispose of the issue of overtime payment. On page 3294 of the record, Mr. Denison said: ". . . the record is clear that we have done our best to get double time and are still at it." Ans. Mr. Keys: "We do not deny that you have tried to get it and done your best to get it."

In this case the grievance of overtime compensation of the foremen is against the stabilization policy of the Government rather than against the Company.

5. Demand for a bonus for night work. When a demand was made on the Company in August of 1943, to pay a bonus for night work, no bonus was then being paid. On April 5th, 1944, the Company applied to the Salary Stabilization Unit for permission to pay to its supervisory employees a bonus of 5 per cent of their earnings while working on the night shift. The request of the Company was turned down and the payment of a bonus of five cents an hour was granted. (Detroit Rec. 3290, Exhibit 17) At the time of the hearing the matter was being further pressed by Management, but it was not able to put any part of the order of the Stabilization Unit into operation as it was contesting that part which denied double pay for Sundays.

6. Inability of foremen to compute how their pay checks are figured. A minor complaint of the Union was that it was difficult to compute how a pay check was figured, even granted the supervisor knows the amount he should receive each month on a 40-hour week. (Detroit Rec. 185) The Company explained the difficulty in comparing the amounts for each six-weeks period because the employees pay is on a semi-monthly basis, whereas his overtime is computed on a weekly basis. Hence no two pay checks were ever the same and would not be except as a result of "happenstance".

Application has been made to the Salary Stabilization Unit for permission to change from what had been a semi-monthly basis of pay to a weekly basis paid bi-weekly. (Detroit Rec. 3121)

This grievance is of minor importance.

7. Complaints concerning the sick leave allowance: It was said by the foremen that although there was supposed to be twelve days a year sick pay if a supervisor is absent because of illness he is docked. (Detroit Rec. 194) The result of the policy is that if a man is off on Monday and works on Saturday, he does not get overtime. (Detroit Rec. 195) The Company, in the form of an exhibit, showed that every foreman mentioned by the Association had received all the sick leave he was entitled to. (Exhibit 28)

The Company has applied to the Treasury Department for permission to increase the sick leave limit to 24 days for men with one or more years of service, but the Treasury Department has refused the permission requested and the matter is still pending. (Brief 8)

Anthony L. Taube - became ill and was ordered to take a rest. He called upon the Packard Aid Association, and his wife notified the foreman. The "nurse" called to see him and he believed every one had been notified. When the foreman returned to his job he was told he had been cleared from the rolls "A.W.O.L." (Detroit Rec. 207, 208) After a month's delay he was put on as a supervisor in the Material's Division.

The Company admits that a mistake was made in this case. It had notice of Mr. Taube's illness, but says he was not satisfactory as a foreman, and it was only a matter of time before his assignment would have been changed. (Detroit Rec. 3238) For the time he lost through no fault of his own, Mr. Taube would appear to have an unresolved grievance.

8. Demand of the foremen that greater weight be attached to seniority in promotions, demotions, and lay offs of supervisors. The foremen claimed that Packard has not established any seniority recognition system for its supervisors and does not recognize seniority at all. (Detroit Rec. 126) Witness Traen said that in case he were demoted he would have no seniority beyond the time when he was promoted from the ranks. This does not appear to be true, as Article III of Section 21 of Union Agreement with the rank and file unit provides that foremen or assistant foremen who had seniority as rank and file employees before promotion and who are demoted to the ranks "shall resume their seniority with the Company on the same basis as any other employee". (Detroit Record 3208) In connection with seniority in this case, the seniority provision of the Ford Agreement was read into the record apparently with a view of showing what the foremen believed to be a reasonable provision regarding seniority.

Witness Turnbull for the Union asserts that the Ford Agreement is as good a one as could be worked out, and that the whole matter involved using common sense. This witness said: "If a man is not

capable of doing a job, all the seniority in the world cannot keep him on the job". (Detroit Rec. 191) Apparently the foremen desire seniority to apply not only in lay-offs and promotions but in distributing work and in promotion to better positions and the like. (Detroit Rec. 202)

The Company's position on the issue of seniority is stated both in the testimony and in the brief. The Company asserts that the form of seniority which is possible for the rank and file is not possible as regards supervisors. The Company asserts that a large proportion of its supervisors comes from the rank and file. The Company says that the seniority plays a large part in promotions (Detroit Rec. 3217), but that it must reserve the exclusive right to make promotions. The Company and the foremen do not appear to disagree substantially on the principle of seniority if abilities are equal, but they do differ widely on the application of seniority.

9. Complaints of foremen concerning promotions, demotions, and discharges. This subject matter is intimately connected with the grievance procedure. Instances were presented of some supervisors who were passed over in promotion or who were transferred on grounds of discipline, more in the nature of showing how seniority was not observed or the manner in which the Foremen's Committee adjusted grievances. In one case it was said a man named Morgan without any experience whatever was put in charge of a job. (Detroit Rec. 200) The Company in answer says that man was promoted purely on the basis of ability, after he had been with the Company from July, 1942, until April, 1944. (Detroit Rec. 3227)

The Association asserted that a foreman named Higgins was making so much on an hourly basis that the Company decided to put him on salary whereupon Mr. Higgins (the foreman) quit. The Company claimed that Mr. Higgins is on salary at the present time and had not quit the Company at any time, he being continuously in the employ of the Company since 1934. (Detroit Rec. 3238) Witness Elias was discharged because he had, contrary to orders, caused a box containing spare parts which weighed 1080 pounds to be marked 1,000 pounds. (See testimony of Mr. Elias, pages 212-223). The Company claims that what the foreman had done was contrary to instructions received from the Army Air Force, which was unable to handle boxes in excess of one thousand pounds, and also that falsifying the weights on an interstate shipment might subject the Company to a charge of defrauding the railroad. (Detroit Rec. 3232) It was not disputed that the foreman was back in production. (Detroit Rec. 313)

It was said that on the eve of the strike a foreman named Wigington was made a superintendent, and it was asserted that this was done to prevent him from going on strike. (Detroit Rec. 187) The Company asserts that the work stoppage occurred on May 3rd, whereas the promotion was on June 1st (Detroit Rec. 3228), and points out that keeping one man out of 872 at work would do little good. (Detroit Rec. 3230)

The grievances submitted do not lead to the conclusion that there are serious grievances on grounds of improper promotions, transfers, or discharges.

10. Collective bargaining with supervisors and grievance procedure of supervisors at Packard. Although Foreman Traen said that there is no way to settle a grievance other than to quit (Detroit Rec. 126), his statement is in conflict with the rest of the testimony pertaining to Packard.

For a time in 1942-43 there were discussions between management and committee of three foremen, representing the Packard chapter of the Foreman's Association of America. At the first meeting in December, 1942, Mr. Keys was present and the aims and purposes of the Association were discussed. Mr. Weiss, Labor Relations Director of the Company, then expressed the view that the Foreman's Association was, or would become, affiliated with the C.I.O. and this was denied by Mr. Keys. (Detroit Rec. 114) There were one or two meetings after the December meeting. An election was held on February 24th, 1943, to determine whether the Association would be the Bargaining Agent for the foremen. (Detroit Rec. 113) The eligibility list at that time was six hundred ninety three. Disregarding challenged and defective ballots, four hundred eighty six votes were cast for the Foreman's Association while only two votes were against it. (Detroit Rec. 113) This election was followed by a dispute over recognition. The Company stated that there would be no further meetings. Since that time a committee of one or more foremen, which had been "unofficially" recognized as a Committee in discussions with Management. (Detroit Rec. 115) The procedure seems to be for a supervisor feeling aggrieved to come to Witness Turnbull, who arranges for one of the higher officials to see the complainant. Mr. Turnbull has acted as a contact man, as he never goes in with the aggrieved man. (Detroit Rec. 174)

The Association takes pride that each discharged supervisor has been given a job somewhere in the plant - either as foreman or in the ranks. (Detroit Rec. 220) In this case the foremen made a significant concession. A part of the questions asked by Mr. Keys, national president of the Foreman's Association of America were:

Q. "... they submit them (grievances) to the Committee that has been representing them to the Employer and if I am correct, I believe the Employer has corrected most of the grievances?"

A. That is right.

Q. Through the Committee?

A. That is right.

Q. That Committee is still functioning?

A. It is." (Detroit Rec. 115-116).

The Packard Motor Car Company asserts (Company Brief 25) that it has always refused to deal collectively with the Foreman's Association.

The company's witness, Mr. Denison, stated that he is in accord in principle with many of the foremen's demands. He believes that it is "fundamental" that the foremen receive more compensation than the highest man under him. (Detroit Rec. 3241) He believes in the principle of paying foremen for overtime, within certain limits (Detroit Rec. 3242-3243), and that there should be twelve days per year allowed foremen for justifiable absence. (Detroit Rec. 3243) He believes in the principle of seniority (Detroit Rec. 3244-3245); does not believe in docking for absence or tardiness, within limits (Detroit Rec. 3245), and concedes that there should be easy access from the lowest level of supervision to the highest. (Detroit Rec. 3246) The essential position of the Company is that it will deal with its foremen as individuals but not as members of a group.

This question was asked Mr. Denison:

Q. "If you accept those various principles would you be willing to incorporate them into an agreement with the Foreman's Association?"

A. That is assuming that we would be willing to write an agreement. If we were forced to bargain collectively with the foremen, I do not think we would have any hesitation to establish those principles." (Detroit Rec. 3246)

It would appear that much of what the foremen are requesting is not in the opinion of the Company unreasonable, in itself, (Detroit Rec. 3246) It refuses to accept the principle of collective bargaining.

That the "unofficial" handling of grievances at Packard has been effective is suggested when the foremen say that practically all the grievances that the Association had with the foremen have been corrected, and the Company on its part asserts that it agrees in principle with the specific demand of foremen aside from recognizing collective bargaining and grievance machinery.

The Company believes that its set-up for man-to-man, up the line conferences between supervisors and top management has been successful, but that it is being circumvented in favor of the present approach. (Detroit Rec. 3263) The Panel recommends that, to assure a more effective handling of grievances, the Board direct the company to institute a grievance procedure in accordance with the recommendations of Section XXX.

XXIII. REPUBLIC STEEL CORPORATION

1. Background. Republic Steel Corporation is a large integrated steel corporation - the third largest in the country. The plant here involved is situated in Cleveland, Ohio, and was originally designed for production of high quality sheet steel to be used principally in the automotive industry. In June, 1941, it erected a new building and rearranged its equipment and by the end of January, 1942, it was rolling, shearing, and shipping plates for the building of ships.

The plant involved in this proceeding is known as the 98-inch continuous strip mill. The Company at the present time employs some 60,000 persons in its operation which extends over the country, but the strip mill at the present time has about 751 employees working under 65 supervisors (Detroit Rec. 3810 - Company Exhibits 2 and 3).

The foremen in the 98-inch Strip Mill of the Company received a charter from the Foreman's Association of America on July 1, 1943. Some time during the summer the Association requested the management for a conference for bargaining purposes, which was denied. On October 8, 1943 the foremen walked out on an unauthorized strike over the action of the Company in appointing a man from another plant as a foreman in the Strip Mill. Upon their return, October 10, five foremen were discharged and the Association notified the Company of its intention to strike in 30 days under the terms of the War Labor Disputes Act. Its stated grievances included the unreasonable discharge of the five foremen and the typical complaints filed against Detroit companies, namely: recognition, negotiation to correct grievances, sick leave allowances, seniority, temporary pay adjustments, vacations, and overtime. The discharge case being certified to the War Labor Board on November 1, 1943, the strike notice was withdrawn. (Foremen's Association of America Exhibit 30) The discharge cases have now been heard by the National Labor Relations Board and a decision is awaited. (Detroit Rec. 3826) The remaining issues, except recognition, are presented to this Panel.

Of the 65 foremen in the plant about 40 belong to the Foreman's Association of America. These foremen are usually called "turn foremen" due to the fact that each takes in rotation one of the three shifts which the plant works. General foremen are not members of the Foreman's Association of America.

2. Rates of pay. Foremen at Republic Steel are being paid under one of three methods: twenty-five foremen are paid on salary, thirty-seven on day rates and three on hourly rates. (Company Exhibit 3, Detroit Rec. 3715) At the time the chapter of the association was formed only daily-rated supervision was eligible for membership. Both salaried and hourly in addition to daily-rated men are now admitted. In addition to the daily rate, the foremen are paid fifteen and one-half cents per hour; an adjustment which was granted when a wage increase was given to the C.I.O. (Detroit Rec. 3723) The Company offered evidence that in 1941 the range of earnings for foremen was \$200 to \$778 per month, and that for 1944 those same jobs range from \$265 to \$838 per month. (Detroit Rec., 3814 Company Exhibit 4, Company Exhibit 5)

The Company introduced these figures merely to show that the men "are being handsomely paid." (Detroit Rec. 3815) The day rate is a peculiar type of remuneration. If a foreman reports for work in the morning and goes home in an hour, he gets a full day's pay. He is not docked for being late. (Detroit Rec. 3852) The fifteen and one-half cent additional bonus is paid only for the hours actually worked, that is if a man making \$10 a day did one hour's work he would receive \$10.15. (Detroit Rec. 3852, 3853) Mr. Hyland, the only witness for the Company, states that the foremen are under the jurisdiction of the Internal Revenue Department and that he has been unable to secure increases in salary which he had recommended. It has not been shown that the salaries paid are inadequate or out of line with what is paid in the industry in the Cleveland area.

A complaint was made that when a daily-rated foreman acts for a higher-rated foreman he gets no increase in compensation. (Detroit Rec. 3738) Neither does he get any increase when he acts in the place of a foreman on vacation. (Detroit Rec. 3834) The Company regards higher pay in such cases as unnecessary. The assignment of a man to a higher paid position is to be regarded as an opportunity for the employee to learn a more responsible job. "They are being given a privilege, not something they should be paid for." (Detroit Rec. 3835)

3. Complaint that the company fails to pay foremen for overtime. The chief complaints of the foremen concern overtime pay, or as they assert the lack of it, and a premium which they consider to be a bonus. The chief witness for the Association claims that no overtime is paid (Detroit Rec. 3719), and he asserts that the men are under the Wage and Hour Law and should be paid overtime. The foremen point to a proceeding before the Wage and Hour Board in the Cleveland area, which resulted in a decision that back pay for overtime should be paid to some two hundred twenty-seven men. (Detroit Rec. 3721) In April, 1943, the Company paid this retroactive back pay, and thereafter gave what the foremen claimed is a bonus and which is not considered by them to be payment for overtime at all. Neither, say the foremen, is any premium pay given for Sunday work. (Detroit Rec. 3724)

The Company explains the overtime situation thus: When the Wage and Hour Law was passed (1938) Republic attempted to classify its employees on the ground of exemption, and, while the supervisors in the 98 inch strip mill were given a \$30 a week guarantee, they were not notified of it and hence were classified as non-exempt hourly-rated employees. (Detroit Rec. 3839)

In connection with the provisions for overtime the Company introduced Exhibits 10-10A which outlined the overtime payment plan for exempt salary and day rate employees and the ruling of the National War Labor Board dated May 22nd, 1943, approving the plan effective retroactively to April 16, 1943. In brief the program is this: Supervisors are on a 40-hour week and for every hour up to 48 they get time and one-half; for the next four hours they get the equivalent of double time. If they work 52 hours a week they are paid for 60 hours. The whole program, however, is based on the ingot capacity operations of the Company, and if the operations equal or exceed 80 per cent of the capacity there is a

bonus. The end result is that when a foreman works overtime he is compensated for time and one-half up to 48 hours and double time to 52 hours. (Detroit Rec. 3842) The Company claims that this bonus plan was introduced for the purpose of paying overtime (Detroit Rec. 3851) and it so appears in its ruling of the Regional Labor Board. (Company Exhibit 10A) In view of the restrictions of the Wage Stabilization Unit the Panel cannot find that there is any unresolved grievance as to overtime.

4. Vacation. There is a vacation arrangement for supervisors at Republic which the Company asserts is a liberal plan. (Detroit Rec. 3726) The amount of days off, with pay, vary with the number of years the employe has been with the Company. (Detroit Rec. 3837) The Union admits that the supervisors get the same vacation as the rank and file which is three days for five years, and corresponding increases in days off, depending upon length of service.

The evidence fails to establish that there is a serious grievance over vacation policy.

5. Sick leave. There is no sick leave plan. (Detroit Rec. 3726) The Company does not believe that it is a good thing. (Detroit Rec. 3820) It says a man who is injured on the job receives workmen's compensation; the man who is taken sick because of industrial illness is likewise taken care of, and Republic at a great expense has established a group insurance, health and sickness plan, which has been taken advantage of with about 98 per cent of the employees. (Detroit Rec. 3831, 3832, Exhibit 8) It appears that those on leave sick receive no compensation from the Company. The Panel's views on sick leave are expressed in Section XXVI of this report.

6. Seniority. The Association claims that it organized because the foremen have no seniority rights (Detroit Rec. 3714), and that on a higher job the senior man should be installed (Detroit Rec. 3737) The position of Management has been stated in the record to be that "It is Republic's position that seniority has no place in Management." (Detroit Rec. 3827) Nevertheless it is admitted that seniority might be given consideration. (Detroit Rec. 3830) This issue remains unresolved.

7. Promotions, demotions and discharges. This subject is one that concerns the foremen. The testimony is limited to the case of a man promoted unjustifiably, in the opinion of the foremen, and to the case of five men discharged.

The Company qualifiedly recognizes seniority in making promotions (Detroit Rec. 3828), and says it is the established practice to promote men from the organization before any attempt is made to go outside for foremen. The appointment of Bennett led to the walkout of October 8-10, 1943.

The Bennett case seems to have been thus: a workman came into the plant and was put on different jobs as a day-rate foreman, but foremen were not advised of his position. When Mr. Morgan, President of the foremen went to see Mr. Dorsey, the hot mill superintendent, to determine what Mr. Bennett's position was, he was told that Mr. Bennett was a foreman, as of that day. (Detroit Rec. 3745) The other foremen

considered Bennett incapable and believed that his appointment was not right. They promptly ceased work. (Detroit Rec. 3745-3746) When they returned to their jobs two days later, five of their number were discharged. (Detroit Rec. 3746)

The Association did not know much about Mr. Bennett (Detroit Rec. 3754) and while it admitted the Company should train foremen to replace those going into the Armed Service, it insisted there were plenty of men in the plant who could do the job. (Detroit Rec. 3766) The Company claims that replacements were made by men who worked in the plant (Detroit Rec. 3862) and who were qualified to fill the positions offered. (Detroit Rec. 3863) The Company contended that the newly promoted foreman was able to do the work (Detroit Rec. 3868); that he was transferred from another plant where he had been a production worker; that Mr. Bennett was being trained to learn what was going on in the different units; and that he was entirely in training not production. (Detroit Rec. 3872) The Company insists that there was no cause on the part of the foremen to strike, since the Company merely put one of its own employees in training to become a supervisor when it was necessary to replace those going into the service. The failure of the Company to explain its action to the foremen was unfortunate. Far more serious, however, was the action of the foremen in attempting to control decisions of management by striking.

The discharge of the five foremen by the Company resulted in a strike notice which was later withdrawn when the case was certified to the War Labor Board. The discharge cases are now pending before the National Labor Relations Board on complaint of the Association that the discharges are discriminatory.

8. Grievance procedure. There appears to have been no formal grievance procedure at Republic heretofore. The foremen objected to some of their men receiving a bonus while others did not. Mr. Morgan, President of the Association, attempted to get in touch with Mr. Hyland, who said the door was open for individual bargaining but he would not talk on Union matters "unless he had to". It was said that unless the foremen did not get results from their immediate superiors that they ought to have grievance procedure to take them to the top. (Detroit Rec. 3782) The Company denies that there was ever any collective bargaining relations with any organization representing supervisory employees. When Mr. Hyland received a letter requesting a conference to discuss foremen demands, he told Mr. Morgan, the President of the Association, that in view of the Maryland Drydock decision and the traditional policy of the Company, he could not deal with the Association as a collective bargaining agent, but would listen to any individual grievance. (Detroit Rec. 3820)

Although the foremen complain because there is no grievance procedure, (Detroit Rec. 3725-3728), there is no evidence that a demand for grievance procedure was ever made upon the Company.

The position of the Company is unequivocal - an individual may go to the General Manager of the Cleveland Division (Detroit Rec. 3744), and the policy of the Company is "the open door." (Detroit Rec. 3775) One of the witnesses for the Union stated that while his idea of a grievance

procedure was not necessarily one that would procure for him the results he sought, he expected other than standard answers. (Detroit Rec. 3780) What the Association desires as far as grievance procedure is concerned is what the rank and file now has. (Detroit Rec. 3784) The Management contends that any supervisor may have immediate recourse to his superior (Detroit Rec. 3849-3851) and that a man who has worked himself up to the position of supervisor does not need anyone to speak for him. (Detroit Rec. 3879) The Panel recommends that the Company be directed to establish grievance procedure in compliance with the recommendations of Section XXX of this report.

PART FIVE

Conclusions and General Recommendations of the Panel

XXIV. COMPENSATION OF THE FOREMEN

1. The general level of compensation. Although the general level of compensation of supervisors is an issue in some cases, virtually no comparative data on the compensation of supervisors in the companies involved in these disputes and in other companies was presented to the Panel. The general level of compensation does not appear to be a serious complaint. The Panel finds that the supervisors in the cases before it are in general well paid. The supervisors who are department heads (in most of these cases entitled "foremen") receive monthly earnings exclusive of overtime ranging from \$200 to \$350. Assistant general foremen and general foremen receive more. The temporary supervisors, working leaders, and leading men in the shipyards, who supervise smaller groups of men than the department heads in manufacturing plants, receive compensation ranging from \$.91 an hour to \$1.40 and \$1.67 an hour.

In many cases before the Panel there is substantial difference between the straight time earnings of supervisors and their "take home" earnings, because the supervisors are putting in considerable overtime beyond the standard working week. The "take home" earnings for supervisors who are department heads range from \$275 to \$650 a month. Information on the earnings of temporary supervisors, working leaders and leading men in the two shipyards is not in the possession of the Panel. These earnings put nearly all of the supervisors who are department heads in the upper third of income receivers in the nation as a whole. The department heads in these cases are among the highly paid employees of American industry.

The following table sets forth the information on standard rates of pay and the take-home earnings submitted for the various classes of supervisors by the companies involved in these proceedings:

Company	Classification	Straight-Time Rates	Hourly Basis of rates	Take-home Earnings	Source Reference
Aeronautical Products, Inc. <u>a/</u>	Foreman	\$1.20-1.90 <u>b/</u>	40 hr. week	\$ 57.75-122.00 <u>d/</u>	Company Exhibit 3 & 4
	Assistant Foremen	1.40-1.60 <u>c/</u>		450.00-550.00 <u>e/</u>	
				78.00- 84.83 <u>d/</u>	
Baldwin	<u>Southwark Plant</u>				Rates obtained from company by telephone
	Superintendent	\$800.00		\$800.00	
	Assistant Superintendent	450.00		450.00	
	General Foreman	-		-	
	Foreman	370.00-410.00		370.00-410.00	
	Assistant Foreman A	-		-	
	Assistant Foreman B	-		-	
	<u>Foundry f/</u>				
	Superintendent	550.00		1070.00	
	Assistant Superintendent	483.00		788.00	
	General Foreman	400.00-433.00		495.00-558.00	
	Foreman	290.00-335.00		350.00-590.00	
	Asst. Foreman A	-		-	
	Asst. Foreman B	-		-	
	<u>L & O</u>				
	Superintendent	450.00-675.00		450.00-675.00	
	Assistant Superintendent	500.00		500.00	
	General Foreman	375.00-425.00		375.00-425.00	
	Foremen	350.00-400.00		350.00-400.00	
	Asst. Foreman A	1.65		368.94	
	Asst. Foreman B	1.55		346.58	

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Company	Classification	Straight time Rates	Hourly Basis of rates	Take-home Earnings	Source Reference
Bohn Aluminum Company	General Foreman Foreman I Foreman II Foreman III Ass't. Foreman	\$ 60-95 d/ 60-90 55-80 50-75 50-70	No fixed work week		Book VIII, p. 830. Data requested by Chairman Slichter and submitted by Com- pany, January 1945
Briggs Manufac- turing Company	Foreman	284.18 g/	40 hr. week	\$415.90 h/	Company Ex- hibits 6, 9, & 10
Chrysler	Foreman General Foreman	255.12 i/ 295.29	40 hr. week	331.66 h/ 383.88	Company Exhibit 5
Federal Shipbuild- ing and Drydock Company	Working Leaders Second Class leadingmen First Class leadingmen	1.25 j/ 1.33 1/2 1.40		51.26- 101.14 k/	Leadingmen's Organizing Com- mittee, statement, pp. 5 & 6
Gar Wood Indus- tries, Inc.	Foreman	---	No fixed work week	1.45 l/	Exhibit 4
Hudson	Ass't. Foreman Foreman Assistant General Foreman General Foreman	330.00 350.52 388.50 390.00	48 hr. week	407.00 h/	Company Exhibit 17
Maryland Drydock	Temporary Super- visors Working leaders Leaders	.91-1.37 i/ 1.07-1.48 1.25-1.67		321.75 h/ 352.75 397.55	Exhibit of data sub- mitted by company in response to request by Chairman Slichter dur- ing Hearing, and tele- phone conversation with company.
Murray Corporation	Department Supervisors Shift Supervisor Section Supervisor	\$370.00 m/ 330.00 315.00	40 hr. week	\$390.00-670.00 n/ 355.00-535.00 300.00-625.00	Company Exhibit 8

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Company	Classification	Straight-time Rates	Hourly Basis of rates	Take-home Earnings	Source Reference
New York Ship-building	Sub-foremen I	\$ 75.84	40 hr. week	\$111.19	Statement on Behalf of N.Y. Ship-building, pp. 6, 7
	Sub-foremen II	71.34		99.66	
	Sub-foremen III	63.84		95.48	
	Cleaner Sub-foremen	57.12		84.46	
Packard	Assistant Foremen, foremen, general foremen, special assignment men	282.18 p/	40 hr. week	496.54 h/	Company Exhibit 24
Republic Steel Corp.	General Foreman	\$335.00-400.00	40 hr. week	\$475.89-562.07 g/	Company Exhibit 5 and telephone conversation with company
	Foreman Salary)	225.00-305.00)		\$289.48-453.45	
	Day rate)	9.24- 10.49)			
	Turn Foreman				
	Salary Rate)	285.00-410.00)			
	Day Rate)	8.24- 10.44)		273.96-583.41	
	Hourly Rate)	1.22 per hr.)			
	Assistant Foreman	9.24 per day		265.66	
	Loader Foreman	9.74 per day		304.45-324.09	
	Warehouse Foreman	9.24- 10.24 per day		274.48-287.72	
	Turn Rollers	525.00-750.00		763.45-988.45	

- a/ Rates shown are not a function of the earnings for this Company since the rates have been recently approved and indicated earnings are based on previous rates.
- b/ There are a series of rate ranges for each department. The figures shown represent the lowest and highest rates for all departments.
- c/ Rate range for assistant foremen. Average straight time hourly rate based on former rate ranges for foremen and assistant foremen is \$1.43 per hour.
- d/ Weekly straight-time earnings.
- e/ Monthly salary for two salaried foremen.
- f/ The employees receive a monthly bonus which is included in the earnings figure. The employees in the other two divisions receive year end bonuses which are not shown in the earnings figure.
- g/ Average rate - monthly basis.
- h/ Average "take-home" pay, monthly basis.
- i/ Company supplied information by telephone in response to request.
- j/ Hourly rates.
- k/ Weekly "take home" pay.
- l/ Average earnings of first-line supervisors. Salaried supervisors are not included.
- m/ From letter dated October 29, 1944.
- n/ Monthly salary.
- o/ Average weekly rate for 40-hour week.
- p/ Average monthly earnings for 40-hour week.
- q/ Average monthly earnings, indicating lowest and highest earnings in each classification.

Although serious complaint is not made by foremen concerning the general level of their compensation, foremen complain in nearly all cases about specific aspects of their compensation, such as failure of the companies to pay for overtime work; failure of foremen to earn as much as some of the rank and file workers whom they supervise; failure of the companies to pay premiums for night work; uncertainties in the calculation and purposes of special bonuses; inequalities in the relative compensation of foremen and other supervisors within the same plant.

2. Failure to pay for overtime worked. In some cases (Baldwin, Bohn Aluminum, Chrysler, Gar Wood, Hudson, Packard, and Republic) complaint was made that the salaried foremen are not paid for overtime work. Previous to the war it was a fairly general practice for firms not to give overtime pay to foremen who were on a salary. The overtime which foremen worked during busy times was regarded as offset by the fact that they were usually kept on at full pay during slack seasons and often even in bad years, and, in many plants, by the fact that they received vacations with pay which the rank and file usually were not given or by the fact that they were given sick leave which the rank and file usually did not receive.

The defense program and later war production have required foremen to put in large amounts of overtime. Many managements continued for some time the practice of not paying salaried foremen for overtime. Consequently, during 1940, 1941, and even parts of 1942, foremen in many companies worked a large amount of overtime without compensation. The record in these proceedings does not show to what extent foremen in the cases before the Panel worked overtime without compensation several years ago. At the present time all of the companies involved in these proceedings, except the Baldwin Locomotive Works, now recognize and now make some provision for paying supervisors for overtime. These arrangements and the dates when the arrangements became effective are set forth in the following table:

ACTUAL PRACTICE AND EFFECTIVE DATE OF OVERTIME PRO-
VISIONS FOR SUPERVISORY EMPLOYEES.

COMPANY	OVERTIME PROVISION	EFFECTIVE DATE
Aeronautical Products	1. Time and one half after 8 hours per day and 40 hours per week, for the sixth day of work and for work on holidays. 2. Double time for the seventh work day.	Prior to issuance of Executive Order 9240 in September 1942
Bohn Aluminum	20 per cent after 5 days per week.	No date indicated
Baldwin Locomotive	a. Foremen 1. Work week consists of six eight-hour days 2. No overtime payments for hours after regular work day or work week or for Saturdays, Sundays, or holidays. 3. Bonus paid as partial compensation. b. Assistant Foremen 1. Same conditions as apply to production workers	January 1944 No date indicated
Briggs	Time and one half after 8 hours per day and 40 hours per week. Double time for seventh day.	December 1, 1942
Chrysler Corp.	1. Six-day week - 20 per cent extra 2. Increase to 30 per cent for six-day week 3. Time and one half after 40 hours per week for those whose base salary is \$350 per month or less on a 40-hour week basis. 4. 80 per cent of time and one half for all hours in excess of 48 hours per week for those whose monthly salary on a 40 hour week basis exceeds \$350 but does not equal \$400 per month. 5. 60 per cent of time and one half for hours worked in excess of 48 per week for those whose base salary at 40 hours per week exceed \$400 per month but not more than \$450 per month.	August 1941 June 1942 November 1943

Federal Shipbuilding and Drydock	1. Time and one half after 8 hours per day	
	2. Five eight-hour days per week	
	3. Time and one half for sixth day. Double time for seventh day.	July 1942
	4. Time and one half for holidays	July 1942
Gar Wood	1. Request made to pay overtime for 13 supervisors. Half the requested amount approved by Treasury.	June 1944
	2. Increase of 20 per cent to 30 per cent when work week increased to 48 hours.	No date indicated
	3. Work on Sunday compensated for by equivalent time of duty.	No date indicated
Hudson Motor Car	1. Straight time pay for hours worked between 48 and 60	June 1943
	2. Work week extended to six days and 20 per cent increase paid.	March 1942
	3. Time and one half for seventh day and for work on legal holidays.	March 1944
Maryland Drydock	All work performed outside of regular shift at time and one half in addition to overtime provisions.	June 1942
Murray Corporation	1. Straight time for Saturday	1940
	2. Straight time after 9 hours per day and straight time for Saturday and Sunday contingent upon 40 hours having been worked Monday through Friday.	April 1941
	3. Straight time after 40 hours.	February 1942
	4. Straight time after 8 hours per day and for Saturday. Double time for seventh consecutive day and time and one half for national holidays worked.	April 1942
New York Shipbuilding	1. Work week of 52 hours paid for 58 hours.	October 1943
	2. Sixth and Seventh shift over time basis.	June 1942
	3. Time and one half in addition to regular days pay for work on holidays	June 1942

Packard Motor Car Co.

1. Time and one half for sixth and seventh day if employee has worked previous 5 days.
2. Time and one half after 8 hours per day for employees in departments scheduled to work more than 8 hours.
3. Time and one half for work on six legal holidays.
(Above applied to employees previously exempt.)

March 1942

March 1942

March 1942

Republic

Time and one half for hours between forty and forty-eight and double time for hours between 48 and 52 on a graduated scale as production exceeds 80 per cent of capacity.

April 1943

Except in the Baldwin case, the Panel does not find that failure to pay for overtime work is an unresolved grievance. The Panel's recommendation in connection with the Baldwin case is contained in its findings for that case. In some cases it is true companies have sought permission from the Salary Stabilization Unit to pay for overtime on a more liberal basis than the Salary Stabilization Unit has been willing to approve. Such cases, however, should not be regarded as representing unresolved grievances. Under the stabilization policy, an agency of the government empowered to act should be regarded as settling the case and should not have its action reversed by a coordinate agency.

3. Rank and file workmen earn more than the foremen. In some cases (especially in Baldwin, Chrysler, Packard, and Republic), complaint was made that the men under foremen earn more than the foremen. Several years ago, before extra compensation for overtime had been given foremen, there may have been fairly frequent instances in which some rank and file workers earned more than the foremen who supervised them and who worked approximately the same number of hours as the rank and file workers. The record in these proceedings contains no specific evidence on the point, but articles in the business press indicate that several years ago the situation complained of was common. In virtually every case of subordinates' earning more than foremen which was presented to the Panel from any of the thirteen companies involved in these proceedings the reason was that the subordinate worked more hours in the course of the pay period. The only exceptions cited in the record were the Packard Company (Detroit Rec. 3203) where the company cited instances of specialists who earned more than the foremen. In the Baldwin case (Baldwin Rec. 343), the company cited instances where, under the existing wage scale, certain specialists could earn more than the foremen, but no instance of this occurring was presented. Although few instances were cited in the record, cases may well arise from time to time in which a highly paid specialist may be assigned to a lower paid foreman. The Panel does not find that the failure of foremen to earn as much as their subordinates is generally to be regarded as a legitimate grievance in cases where the subordinates work more hours. Nor does the Panel believe that every instance in which a subordinate might earn more per hour than a foreman would constitute a legitimate grievance. No grievance of this latter sort requiring corrective action by the Board has been presented to the Panel.

4. Failure to pay a bonus for night work. Eight of the companies involved in these proceedings either pay a bonus for night work to some or all supervisors on night shifts or have sought permission to pay one. These companies and the night shift premiums paid by them to supervisory employees are:

Aeronautical	Hourly-rated foreman 5 cents per hour-Jan. 1942
Baldwin	Assistant foremen receive same premium as production workers; salaried foremen receive more.
Chrysler	Five per cent on both second and third shifts.
Federal Shipbuilding and Drydock	Seven per cent for second and third - June 1941
Maryland Drydock	Seven per cent for second and third shift - June 1942
New York Shipbuilding	Seven per cent for second and third shift - June 1941
Packard	Five cents per hour. Application of company to pay 5 per cent denied by Treasury Department.

No night bonus is paid foremen at Briggs, Gar Wood, Hudson and Murray. At Gar Wood and Hudson, however, the managements assert that a night shift premium is paid in reality although the wage scale does not show it. The day-shift supervisors are said to have greater responsibilities than the night-shift supervisors. The day-shift supervisors are responsible for carrying out work and assuring a supply of materials for both day shift and night shift operations. Greater responsibility for maintaining tools and equipment sometimes falls on the day-shift supervisors. (Detroit Rec. 3511 and 3632) Paying night-shift supervisors the same rates as day-shift supervisors who have greater responsibility is said to be equivalent to paying a night-shift premium.

The Panel believes that where the responsibilities of day-shift and night-shift supervisors are essentially the same and where the rank and file employees receive a night-shift bonus, a corresponding night-shift bonus should be paid to the supervisors provided this is the practice in the industry and the area. The Regional Boards are in the best position to determine area and industry practice. Consequently, the Panel recommends that cases on this point which are not within the jurisdiction of the Salary Stabilization Unit be handled through the respective regional boards. The Panel calls attention to the fact that the payment of night shift bonus will not necessarily prevent complaints. Witness Elliott for the foremen in the Chrysler Corporation testified that complaints came to him from supervisors because of the reduction of pay on transfer to day work. (Detroit Rec. 1658)

5. Uncertainties concerning the calculation and purposes of special bonuses. Some companies award special bonuses to foremen at the

their best to make clear both the purposes of bonuses and the method by which they are computed, it realizes that, as far as year-end bonuses are concerned, uncertainties concerning their purpose and method of calculation may to some extent be unavoidable. Year-end bonuses not infrequently are given for outstanding service or in recognition of performance and qualities which are difficult to appraise, and one of the objects of such bonuses is to afford special assistance to meet exceptional situations which had not been foreseen. For this reason the difficulties of which the foremen complain cannot be entirely eliminated.

6. Inequalities in the relative compensation of foremen or other supervisors within the same plant. In all of the cases, except Murray and New York Shipbuilding, the foremen or other supervisors complain of internal inequalities in the wage scale. The Panel's findings on these complaints are given above in connection with the discussion of specific cases.

The Panel believes that periodic review of foremen's rates is necessary to prevent the growth of inequities. In the Murray Corporation of America the rate of each foreman is now reviewed as a regular matter of managerial routine every six months. A similar review may be in operation in other plants involved in these disputes before the Panel. The Panel believes that managements should review foremen's salaries and rates at regular intervals. It recommends that each company institute procedures whereby all salaries and rates of foremen are reviewed every twelve months. Such review would enable the employer to remove inequalities and to reward merit. Inequalities which are not removed in the course of the periodic review of rates may be taken up as grievances under the grievance procedure recommended by the Panel in Section XXX of this report.

XXV. THE COMPLAINT OF FOREMEN THAT HIGHER MANAGEMENT PERMITS "SHORT CIRCUITING" OF FOREMEN IN HANDLING GRIEVANCES OR FAILS TO GIVE FOREMEN PROPER SUPPORT IN DEALINGS WITH THE UNION OF RANK AND FILE EMPLOYEES.

Witnesses from the foremen in the Chrysler Corporation, Packard Motor Car Company, and in the Gar Wood Industries (Detroit Rec. 262, 188, and 581) cited specific instances in which it was alleged that superiors of foremen "short circuited" the foremen by taking original jurisdiction over grievances or failed to give the foremen the support to which the foremen felt entitled when differences arose between the foremen and union representatives in the foreman's department. These instances have been discussed in the findings of the Panel in the specific cases. It would be surprising if, among the several thousands foremen involved in these proceedings, no case of "short circuiting" or failure to give proper backing to the foreman could be found. The companies, however, contend that they are careful to require that the first step in the grievance procedure be observed and that the foremen be given the proper support in getting their instructions observed and in administering discipline. The companies have put into the record considerable evidence in support of their contention that the foremen are well supported by higher management, that they are not afraid to impose discipline when discipline seems to be called for. The record does not support the conclusion that the companies involved intend to allow the foremen to be by-passed in handling grievances, nor does it support the contention that these companies fail to back up their foremen when the foremen attempt to impose discipline or to exercise the discretion permitted to them under the agreement with the rank and file employees. The fact that the foremen do not always participate in the handling of appeal cases is not found to be a legitimate grievance.

XXVI. DEMAND FOR SICK PAY OR FOR MORE LIBERAL SICK PAY.

In a number of cases before the Panel the foremen ask that sick pay be provided or that existing arrangements for giving sick pay be liberalized. The record indicates more or less confusion or ignorance among the foremen as to (1) whether a sick plan actually is in effect and (2) what the provisions of the plan are. In the Packard case a witness on behalf of the foremen asked that a sick leave plan be put into effect. The Company, however, has a sick leave plan (see Company Ex. 28) and has unsuccessfully applied to the Treasury Department for permission to liberalize its plan. (Company Brief, p. 8) A witness for the foremen in the Briggs Manufacturing Company (Detroit Rec. 355) testified that he did not know what the terms of the plan are. A Company witness testified to a sick leave plan which has been in effect for at least ten years. (Detroit Rec. 2129)

The Panel believes that the question of whether or not to institute or to continue a sick pay plan for foremen and the terms of such a plan are properly within the discretion of management so long as the foremen do not contribute to the support of the plan. The Panel finds, however, that there is uncertainty among the foremen in some companies as to whether or not a sick pay plan is in effect, and, if so, what its provisions are. The Panel recommends that managements clear up these uncertainties by informing the foremen whether a sick pay plan is in effect, and, if so, what its provisions are.

per war

1944

715

1410

35

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65

131

137

562

265

900

1217

5182

11 52

less 131

5051

less 6.5

XXVII. FEAR OF LAY OFF AND DEMOTIONS AND THE DEMAND OF FOREMEN THAT EMPLOYERS ATTACH GREATER WEIGHT TO SENIORITY IN MAKING LAY OFFS, DEMOTIONS, AND TRANSFERS.

The greatest fear of foremen today is that they will be laid off or demoted when cutbacks and cancellations of war orders occur. This fear seems to be a principal reason why the interest of foremen in organizing is out of proportion to the nature and gravity of their grievances. In all of the companies before the Panel, except one, the war has caused enormous expansion of the rank and file workers and a corresponding increase in the number of supervisors. The following are the increases in the number of supervisors which have occurred in five of the companies involved in these hearings. It will be noted that in the case of the sixth company there has been a small drop in the number of supervisors.

Briggs Manufacturing Company	June 1941 2+	715 Foremen & General Foremen
	July 1944	1410 Foremen & General Foremen
Chrysler Corporation,	April 1938	35 Foremen & General Foremen
DeSoto-Wyoming plant	June 1944 6+	225 Foremen & General Foremen
Gar Wood Industries, Inc.	Pre-war 2	65 Foremen & General Foremen
At date of hearing		131 Foremen & General Foremen
Murray Corporation	June 1940	137 Dept. Shift & Section Supervisors
	June 1944 3	562 Dept. Shift & Section Supervisors
Packard Motor Car Company	1938-1940 3	250-280 Foremen
	June 1944	900 Foremen
Republic Steel Corporation	First quarter 1941	70 Foremen
	Second " 1944 0	65 Foremen

In the shipyards the proportionate increase in the number of foremen has been even greater. After the war large reductions will occur in the number of supervisors in most war industries. In fact in Aeronautical Products and in the Baldwin Locomotive Works there has already been a sharp reduction in the need for foremen. The inevitability of large reductions in the number of supervisors in war industries introduces a major uncertainty into the lives of nearly all of the foremen involved in these cases. No one knows which supervisors will be retained and which will be demoted or laid off. The supervisors' sense of insecurity is aggravated by the fact that they know little or nothing of the policies, rules, and criteria which will govern the making of demotions and lay offs. In several cases (Briggs, Gar Wood, Hudson, Murray, and Packard) witnesses on behalf of the foremen asserted that no weight is given to seniority.

The status of foremen when demoted to the rank is determined to a considerable extent by the terms of contract between the employers and the union of rank and file employees. None of the contracts between employers before this Panel and rank and file employees gives seniority on demotion to foremen who were hired from the outside and who served no time with the employer as rank and file employees. With respect to

foremen who have been promoted from the ranks, the provisions differ. The contract between the Chrysler Corporation and the United Automobile Workers, dated September 10, 1943, specifically provides that an hourly-rated employee who is promoted to assistant foreman, foreman, or to any other supervisory position shall accumulate seniority while working in a supervisory position and, if subsequently transferred to hourly rated work, shall have the seniority ranking he had at the time of his promotion plus the seniority accumulated while working in the supervisory position. The agreement between the Packard Motor Car Company and the United Automobile Workers, dated October 7, 1942, contains in substance the same provision. The contracts between the Briggs Manufacturing Company and Local 742 of the United Automobile Workers, dated September 30, 1943, and between the Hudson Motor Car Company and the United Automobile Workers, dated December 10, 1943, and the Murray Corporation and the United Automobile Workers are less explicit in their language, but appear to contemplate the accumulation of seniority in relation to rank and file workers by foremen who were promoted from the ranks and who had seniority status at the time of their promotion.

Mr. Walter Oakes, representing the supervisory employees negotiating committee in the Maryland Drydock Company, stated (Washington Rec. 18-19) that it was generally the accepted practice in the past to give supervisors, once they were back with the tools, credit for all the time they had spent as supervisors. Mr. Goldstein, counsel for the supervisors' negotiating committee in the Maryland Drydock Company and also general counsel for the Industrial Union of Marine and Shipbuilding Workers of America, stated that he had been informed that the production and maintenance employees would have no objection, when supervisors were demoted, to having the employee's period of service as a supervisor added to his previous period of service in the last classification where he worked for the company with tools. (Washington Rec. 17)

The contract between the Car Wood Industries, Inc. and Local 250 of the United Automobile Workers apparently provides that rank and file employees who are promoted to the position of foreman shall keep the seniority which they have on the day of promotion, but shall not accumulate additional seniority.

In several other cases (Baldwin Locomotive Works, New York Shipbuilding Corporation, and Republic Steel Corporation) the contracts between the company and the rank and file union appear to provide indirectly for the retention of seniority in relation to rank and file employees by foremen who had seniority status at the time that they were promoted to the position of foreman. These contracts list certain ways in which seniority rights may be lost - such as justifiable discharge or voluntary quitting. Promotion to the rank of supervision is not listed as a way by which seniority rights may be lost. Consequently, foremen who had seniority rights at the time of promotion have not lost them. It is possible that these contracts may be interpreted to permit foremen promoted from the ranks to accumulate as well as to retain seniority. The New York Shipbuilding Corporation on August 30, 1943, issued a statement of management's policy concerning the seniority standing of sub-foremen. This provides for the accumulation of seniority for time spent as a sub-foreman in the case of former rank and file employees who are demoted to the ranks. This matter is discussed in Section XXI of this report. The record before the Panel does not show how the seniority provisions of the contracts in the Baldwin Locomotive Works or the Republic Steel Corporation have been interpreted in the case of demoted foremen consequently the Panel is not

able to report whether rank and file employees who are promoted to foremen in these companies and later demoted retain or accumulate seniority in relation to rank and file employees.

The contract between the Aeronautical Products Company and the United Automobile Workers contains no provision concerning the retention or the accumulation of seniority by foremen who return to the ranks. The labor relations counsellor of the Aeronautical Products Company testified that the rank and file union recognized accumulated seniority if the foreman was previously a member of the union in the plant. (Detroit Rec. 3326) The case of a demoted foreman who was previously a member of the United Automobile Workers in some other plant has not arisen, but the labor relations counsellor testified that the possibility of reciprocity in such cases had been mentioned.

The contract of the Bohn Aluminum and Brass Company with the United Automobile Workers apparently does not provide for the retention or accumulation of seniority by foremen who are demoted to the ranks.

The seniority provisions of the contracts between the companies and the rank and file unions are reproduced in Appendix I of this report.

The fear of lay offs, demotions, and transfers has led to the demand that employers give greater weight to seniority in making lay offs, demotions and transfers. This demand was presented to the Panel in every case. The supervisors involved before the Panel in three shipyard cases ask that lay offs among supervisors be governed by "straight" seniority. The leading men in the Federal Shipbuilding and Dry Dock case, for example, proposed the following seniority rule (Union Exhibit No. 2 and New York Rec. August 8, 1944 219-221):

"Seniority shall govern whenever it becomes necessary to reduce the number of supervisors. Seniority shall also govern with regard to promotions."

The Foreman's Association of America, however, has not urged before the Panel that lay offs, demotions and transfers be governed by "straight" seniority without regard to ability or merit. It would apparently be satisfied with the seniority rule in the agreement of the Association with the Ford Motor Company. This agreement provides in Section 10 (a):

"In matters of promotion and demotion the determining factors shall be ability and seniority. When ability is considered to be equal, seniority shall govern promotions and demotions. The final determination shall be ability. If the company's determination of this factor shall be deemed to be unreasonable any claimed violations of this provision may be reviewed and determined through the grievance procedure hereinbefore provided."

The question of which foremen are to be laid off, demoted, or transferred will be one of the most important and difficult problems facing employers and foremen during the next few years. The seniority status of demoted foremen in relation to rank and file workers will also be a difficult and important problem in some plants where the issue has not now been settled.

The Panel does not believe that it would be in the public interest for the National War Labor Board or any other government agency to prescribe a rule to govern managements in deciding which foremen they shall lay off, demote, or transfer. Managements may in their discretion decide to give great or little weight to seniority in making lay offs, demotions, or transfers among the foremen. There is much to be said for giving great weight to seniority where differences in the efficiency of several foremen are small or where a foreman might qualify for a pension by a few more years of service. The Panel, however, believes that management should be left free to assess the relative weights to be accorded to seniority, merit, and present or potential ability when lay-offs, demotions, and transfers of foremen are made.

In particular, the Panel believes that it would be unfortunate for a government agency to require managements to adhere to a straight seniority rule in making lay-offs, demotions and transfers of foremen. Certainly the principle of rewarding merit and ability requires no apology. This is especially true in the case of executives such as foremen. The efficiency of each foreman determines in substantial measure the efficiency of many men under him and, in some instances, the efficiency of cooperating departments. It may also determine in large measure whether the relations between the company and a rank and file union are harmonious or full of friction and difficulties. Consequently, both the public and the rank and file workers have a strong interest that the positions of foremen be filled by the most capable men available regardless of their length of service.

The Panel believes that great weight should be attached to the dependence of higher management on the competency of foremen. When the managers of an enterprise select foremen to whom they delegate authority and responsibility, they are not relieved of accountability for results. They are expected to pick competent men on whose good judgment and reliability the superior can depend. The Panel calls attention to the fact that foremanships are to considerable extent the seed bed for higher management. Furthermore the men who hold high positions in management are chosen in part for their skill in selecting and developing subordinates into an effective organization. They should be free within broad and reasonable limits to exercise these functions and to select and develop men for greater responsibilities. To require management to follow straight seniority in making lay-offs would seriously restrict the use of foremanships as a developing ground for higher management. It would create serious staff problems of efficiency and morale. For these several reasons the Panel concludes that, while seniority should be given weight, management must be left to determine for itself the appropriate weight to be assigned to merit, ability and seniority in laying off, demoting, or transferring supervisory employees.

The desire of the foremen for seniority provisions apparently springs in part from a belief that seniority is given little if any weight in making lay offs or demotions as exemplified in certain instances when men of long service were discharged or demoted. The lack of convenient and prompt methods by which such cases of alleged unfairness could be heard has, it appears, increased the desire for rigid seniority rules. In Section XXX of this report the Panel recommends grievance procedure which should assure a prompt hearing to any foreman who believes that he has been unfairly demoted, laid off, or transferred.

XXVIII. SENIORITY IN PROMOTIONS.

In some cases the foremen demand that greater weight be given to seniority by employers in making promotions. The conditions of employment asked by the Leadingmen's Organizing Committee in the Federal Shipbuilding and Drydock case include that promotions among the leading men be governed by straight seniority. In the hearing before the Parnel council for the union proposed that the section read: (New York Rec. Aug. 8, 1944, 219-221)

"Seniority shall govern whenever it becomes necessary to reduce the number of supervisors. Seniority shall also govern with regard to promotions."

The reasons which led the Panel to recommend that each management be left free to assess for itself the relative weight to be accorded to seniority, merit, and ability in the case of layoffs, demotions, or transfers apply even more forcibly in the case of promotions. (1) Higher management frequently needs young, aggressive, and energetic men. (2) Furthermore able foremen and assistant foremen of only a few years experience but of exceptional promise are entitled to reasonable opportunities to demonstrate their capacities and to rise to greater responsibilities. (3) The attachment of excessive weight to seniority in promotions would go far to reduce the drive to excel among the foremen and would limit the opportunity of young men to forge ahead. Its effect upon the quality of management and upon the enterprise and efficiency of American industry would be unfortunate, if not disastrous. The effect on the rank and file would also be undesirable. The Panel concludes that the Board should refrain from imposing seniority rules upon management governing promotions among supervisors.

XXIX. THE NEED FOR MORE ADEQUATE ARRANGEMENTS FOR COMMUNICATION
BETWEEN SUPERVISORS AND HIGHER MANAGEMENT.

The record in these cases, and particularly in those of the ten manufacturing companies, is replete with evidence of misunderstandings between supervisory employees and higher management.

On the whole management has made some attempt to instruct and explain the duties of foremen, but in the rush of war production these efforts have been notably inadequate in some cases. A number of witnesses clearly knew neither the limits of their authority nor of their duties as foremen. In some cases the foremen were slow to be advised of actions and policies of management, and it appears that the reasons for such actions and policies frequently are not given. In Republic Steel, for example, the assignment of a new man to training without explanation and his subsequent appointment as a foreman precipitated a walkout.

But if the authority and duties of foremen sometimes receive insufficient explanation to make them understood, the rights and privileges of foremen are even less well explained. Few companies made any point of describing to the Panel, except on questioning, the extent to which they explain to foremen their rights and privileges as representatives of management. Witnesses for the foremen in their testimony exhibited lack of information concerning their rights and privileges. They were repeatedly in error and had to be corrected by the testimony of the companies.

The channels of communication on which higher management relies for keeping informed of attitudes among the foremen are of three general types: (a) the "open door" of higher executives to which the foremen are presumably to find their way if they have grievances which cannot be settled satisfactorily by intermediaries; (b) the line executives from the immediate superiors over foremen up to top executives; and (c) the "grapevine" which may refer either to the channel of line executives, just cited, or to miscellaneous informal and fortuitous routes by which rumor and fact come to the attention of top management. The inadequacy of these channels is well exhibited by the record in these cases. The Panel is forced to conclude that if the immediate superiors of foremen know their attitudes and smoldering dissatisfactions, the knowledge is too rarely put to use in formulating remedial measures. The vice-president in charge of industrial relations for the Baldwin Locomotive Works frankly admitted that he did not know the supervisors had all these grievances. (Detroit Rec., 319)

The "open door" is used only by a relatively few individuals who, because of the extreme seriousness of their grievances or because of their persistence, take their cases to the top. Several witnesses regarded it as futile or improper to appeal over the head of one's superior. There appears to be a belief among some foremen that their grievances are not considered on their merits either by immediate superiors, who may have to say "No," or by higher management.

The testimony of witnesses raises doubts as to whether the regular channels of communication through line executives are effective, unless the steps between foremen and top management are few in number and unless top management deliberately seeks to learn the attitudes and opinions of foremen by instructing subordinates to report. While the immediate superiors may acquire a considerable knowledge of the foremen's attitudes and dissatisfactions, they may or may not try to rectify the sources of grievances, and they can do little about those complaints based on policy determined higher up. There is evidence to show that higher management in some cases takes little serious interest until a "problem" develops which requires attention.

While the "grapevine" may be a useful channel of communication, it is obviously too informal and unreliable to be depended upon in developing satisfactory relations with foremen. Moreover, as arms of management, these foremen expect a more dignified participation in management and more direct routes to those in authority than this informal method of communication provides. The Panel detects in the testimony from the foremen a feeling that if they are arms of management, there should be a more intimate relationship with higher management. The relationship they have in mind is apparently one in which they would at least be heard, if they have no greater participation in determining the terms and conditions of employment. It appears that they also desire to be consulted about policies which they as foremen must execute.

The Panel believes that management has been over-confident of the efficacy of its one-way communication to foremen and that it needs to develop better and more formal systems of communication from foremen to higher management, leading directly to someone with authority to initiate and carry through remedial measures when needed. Several companies, on questioning from the Panel, conceded that disaffected customers would prompt them to make special studies of the reasons in the hope of restoring customer relations; but they evinced little disposition to rely on other than established channels of information and procedures in remedying the causes of disaffected foremen. (Detroit Rec. 2298-2299, 3000-3002, 3690-3693, 3874-3880) The Panel believes that until better procedures are developed, harmonious relations will be difficult to maintain. It recommends that the companies develop more effective systems of two-way communication between supervision and higher levels of management. It believes that the best interests of supervisors and of higher management will be served by developing more intimate relations between the two rather than by widening the breach.

XXX. GRIEVANCE PROCEDURE.

The foremen in every case before the Panel, except the New York Shipbuilding Company case, have asked that the Panel recommend the establishment of grievance machinery. The New York Shipbuilding Company has been meeting with a committee of its sub-foremen to discuss grievances. In that case the sub-foremen ask that final appeal to a neutral be provided for.

The Panel elsewhere in this report has called attention to the fact that at the present time the foremen seem to have relatively few well-supported complaints. The Panel is convinced, however, that important grievances formerly did exist and that they have in large part been rectified. The Panel also believes that the reductions in the supervisory staffs, which are inevitable as war production is curtailed, are bound to give rise to many grievances. The prospect of these reductions with no more than present methods for handling them is a source of current dissatisfaction. Finally, the Panel points out that absence of satisfactory opportunities to dispose of minor, smoldering grievances may itself be the cause of serious discontent.

Most of the companies follow a practice of adjusting foremen's grievances on an individual basis. The foreman must present his own grievance either to his immediate superior or to higher officials if he so desires.

Several companies recognize the need for broader arrangements for handling the grievances of foremen. The Murray Corporation of America seeks to meet the problem through a supervisory personnel officer in the personnel department. The Baldwin Locomotive Works, The Gar Wood Industries, Inc., The Hudson Motor Car Company, The Maryland Drydock Company, and the New York Shipbuilding Corporation, as noted in Section VII of this report, either meet with committees of supervisors to discuss grievances or have indicated a willingness to do so.

The Panel considers procedures for settling grievances individually through ordinary channels of authority to be inadequate. The insistence by management that its representatives will deal with each foreman only individually and then only about his own grievances impedes, if it does not preclude, the initiation of grievance cases affecting groups of foremen. But even in his own behalf a single foreman may be at a disadvantage in presenting his case. Being one among many, the foreman is individually dispensable and replaceable. He is too far down the management ladder to influence policy or to argue effectively against superiors. He is at a disadvantage in questioning the decisions, rules, and policies of his superiors. Too often, he is in the position of requesting a superior to reverse a decision which the superior himself has made and which the superior may be reluctant to change. Alternatively the foreman may be in the position of requesting his superior to press his case for changes in the decisions, rules, or policies determined higher up in management. Such a superior would naturally be hesitant in pressing the case of a subordinate before reluctant higher officials, especially if doing so were to imperil his own position. If the foreman

appeals his own case over the head of his immediate superior, he runs the risk of jeopardizing his relations with the man under whom he must work. The numerous steps through which the individual must appeal a grievance for final adjudication are in some cases sufficient to exhaust the perseverance of the foreman and to compromise his standing in the company.

The Panel considers that the recently adopted arrangements whereby certain companies will discuss personal grievances under given conditions with groups of foremen eliminate some of the shortcomings of traditional procedures and are important steps in the right direction. The Panel believes, however, these arrangements fall short of meeting the need. They do not, for example, give foremen or committees of foremen a good opportunity to question general policies of management.

The contentions of the employers that the creation of formal grievance procedure will amount to the establishment of collective bargaining are, in the opinion of the Panel, unfounded. Merely hearing a group of foremen is not collective bargaining. The end result of collective bargaining is an agreement - a bilateral arrangement to which both management and employees are parties and which may be changed only by mutual consent. The end result of the presentation of a complaint is an affirmation or modification by management of a practice or a decision. Management makes no agreement. It simply decides unilaterally after a full hearing what it will do. The process of hearing, investigating, and settling real or imagined grievances of foremen is not bargaining unless management elects to make it such.

The Panel recommends that each of the employers in these proceedings, except the New York Shipbuilding Company, be directed to submit to the National War Labor Board a proposal for grievance machinery for foremen which will embody at the least the following:

1. Any foreman or group of foremen unable to adjust with a superior either an individual or a common grievance shall have the right to be heard by one or more representatives of higher management who, in ordinary cases, shall have authority to give a final decision.
2. The aggrieved foreman or group of foremen may present his (or their) own case or he (or they) may be represented by one or more persons (not to exceed three) selected by the aggrieved individual or group. If a group of foremen elects to present its own grievance during working hours, it shall act through a committee not exceeding three.
3. A regularly designated time shall be set aside to hear the grievances of foremen.

4. Decision shall be reached within a reasonable time - ordinarily within a week.
5. Minutes of the meetings shall be kept.
6. Decisions of the appeal official or officials shall be promptly communicated to the complainant in writing.

This recommendation does not apply to the New York Shipbuilding case, as the supervisors in that case raise no objection to the existing grievance machinery, except that it fails to provide for ultimate appeal of deadlocked cases to a neutral.

XXXI. THE DEMAND OF THE FOREMEN THAT GRIEVANCE MACHINERY TERMINATE
IN AN APPEAL TO A NEUTRAL.

The Panel does not recommend that the Board approve the foremen's request that grievance procedure terminate in an appeal to a referee or arbitrator. The managements of specific companies may from time to time be disposed, and even glad, to submit their judgments in cases involving foremen to review by a neutral. The conclusion of the Panel that the Government should not order arbitration in the case of foremen is not to be interpreted as a conviction by the Panel that the government should refrain from ordering arbitration in cases involving the rank and file or in other fields. The conclusion is based on considerations which apply with special force to supervision.

The adjustment of differences between foremen and higher management ordinarily involves considerations not present in the settlement of disputes between rank and file employees and the company. Higher management is held accountable both for the performance of foremen and for the performance of rank and file employees under the supervision of foremen; but there are notable differences. The results for which the rank and file employee is responsible are limited and usually the product of his skill with materials, tools and equipment; whereas the results for which the foreman is responsible are greater in scope and more the product of his knowledge, ability to direct others, and to work harmoniously with others. While higher management must see to it that the rank and file workers perform their duties effectively, it must do this largely by relying on intermediaries in whom it can repose implicit trust, to whom it can delegate responsibilities, and on whom it can depend for seeing that the rank and file carry out company policies. Foremen are hired to perform these intermediate functions. They are selected for their ability to exercise types of skills which are difficult to appraise and which must fit the particular position to which the foreman is assigned. Foremen are strategically placed between the rank and file and higher management and over the operations of whole departments. Because of the key position they hold in the organization, and because higher management is so dependent upon them for the execution of company plans and policies, higher management must exercise greater discretion and care in the selection, advancement, retention in service, and discipline of foremen than in the selection, advancement, retention, or discipline of rank and file employees.

If in appealing a grievance of a rank and file employee to an arbitrator, the judgment of the management is overruled, the harm that results is ordinarily quite limited. Even restoring a discharge employee to his position normally would not affect the total output or efficiency of the plant by more than a small degree. If a number of employees are involved, the adverse consequences would rarely be disastrous to the morale or output of the rank and file.

If, on the other hand, an arbitrator overrules the judgment of management regarding a foreman's grievance much more serious difficulties and adverse effects could easily result. By substituting the discretion of an outsider for that of management and by compelling the company officials to rely upon subordinates in whom they do not have confidence,

or whose methods they do not approve, the essential relationship of trust would be destroyed. Moreover, an inept or inefficient foreman may seriously affect the over-all operations not only of his department, but often of the whole plant. For such reasons the Panel has concluded that higher management should not be required against its will to pass over to outsiders questions of disciplining foremen, or of the selection, advancement, retention, or transfer of foremen. The Panel also calls attention to the fact that a principal duty of higher officials in an enterprise is to exercise discretion and judgment and in matters of human relations among others. The quality of their judgment has usually had much to do with their selection for posts of responsibility and authority. The success of the enterprise depends heavily on the wisdom and decisions of higher management. When cases involve such intangibles and questions of personal judgment as the relative competence of several foremen, their relative suitability for a given position or for unlike positions in an organization, their relative promise of growth, their potentialities for higher positions, their reliability in emergencies, there is no good reason to require that the judgment of a more or less inadequately informed outsider, who may or may not be skilled in administration, be substituted for the judgment of a manager who knows the foremen through more or less extended contact and who will be held accountable for the results which the foremen produce. The rectification of injustices to individual foremen is important, and this is a responsibility in which top management should take an active interest; but it is a responsibility which can be best exercised as a normal managerial function through grievance procedures established for the purpose, rather than by compulsory appeal to outside neutrals.

Finally the Panel directs attention to the fact that the unions of the printing trades, which for many years have required foremen to belong, do not question the full freedom of an employer to discharge a foreman for any reason or for no reason, and do not even provide a procedure by which foremen may challenge the decisions of higher management.

XXXII. THE NEED FOR CLEAR STATEMENTS OF THE SUPERVISORS' WORKING
CONDITIONS AND OF COMPANY POLICIES AFFECTING SUPERVISORS.

Some of the companies involved in these proceedings have endeavored through foreman's manuals or statements of company labor policy to provide supervisors with clear and comprehensive statements concerning their rights, privileges and duties, and their relations with other parts of management. The record in these proceedings, however, shows that in some companies there is considerable uncertainty and even ignorance among foremen concerning company policies and concerning the rights and privileges of foremen. The foremen compare uncertainty of their position unfavorably with the definite terms of the trade agreements applicable to the rank and file workers. The Panel recommends that each company in these proceedings which has not already done so provide supervisors with a clear statement of company policy concerning the compensation of supervisors, overtime, shift differentials, promotions, lay-offs, transfers, demotions, vacations, sick leave, and other matters of concern to supervisors.

XXXIII. THE RELATION OF THE FOREMEN ORGANIZATIONS IN THESE PROCEEDINGS
TO OTHER LABOR ORGANIZATIONS.

In three cases before the Panel, the organizations of supervisors are affiliated with the unions of rank and file workers whom the foremen supervise. In one case the supervisors belong to an A. F. of L. union, but the men they supervise belong to a C.I.O. union. Although the A. F. of L. Union is limited to supervisors in the plant involved in these proceedings, in other plants it is mainly composed of rank and file workers. In the other nine cases before the Panel there is no connection between rank and file unions and the organizations of supervisors. The Foremen's Association of America has asserted its determination to remain independent of rank and file organizations. The Panel regards this intention of the Foremen's Association as important because the Panel does not believe that it is appropriate for supervisors, who are responsible for discipline, assignment of work, rate adjustments and promotions, who represent the employers in handling the grievances of rank and file workers, and who generally represent higher management in dealing with the rank and file workers, to be subject to discipline by a union which is controlled directly or indirectly by the men whom they supervise. The effectiveness of management requires that it have its own uncontrolled agents to represent it in dealing with the rank and file, just as the rank and file are entitled to have their own uncontrolled representatives for dealing with higher management.

The efforts of independent organizations of foremen to retain their independence of rank and file organizations may or may not succeed. The rank and file may insist upon absorbing or controlling organizations of foremen in order to protect themselves against loss of employment through strikes of foremen or in order to increase the bargaining power of the rank and file unions. A union of rank and file employees could threaten the independence of a foremen's organization by offering to take the jobs of striking foremen. The outcome would depend in part upon the policy followed by employers. The Panel calls attention to recent developments in the coal industry. The United Mine Workers recently amended its constitution to admit supervisors. The by-laws of the affiliate of supervisors in the bituminous coal industry--not yet drawn--are by the constitution of the mine workers union subject to change or suspension by the Executive Board or the United Mine Workers.

XXXIV. THE BASIC DEMAND OF THE FOREMEN IN THESE DISPUTES.

The representatives of the supervisors in all of these cases have been frank in saying that their ultimate objective is in winning bargaining rights and the recognition of their respective organizations as bargaining agents. The terms of reference under which the Panel operates exclude issues of bargaining rights and recognition. Consequently the Panel has refrained from considering these issues. Although the supervisors in these cases have all made plain their desire for bargaining rights, their interest in bargaining rights does not appear in the main to spring from complaints concerning their compensation or working conditions. On the contrary, it appears to spring from two principal causes: (1) the desire of foremen to retain their jobs, which they know to be unusually good ones, and to escape demotions when cutbacks come; and (2) the desire of the foremen for freer interchange of viewpoints with higher management, particularly better opportunities to present such grievances as may arise.

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APPENDIX I

Seniority provisions in rank and file contracts which apply to foremen:

Baldwin Locomotive Works

Agreement between the Baldwin Locomotive Works, Eddystone, Pennsylvania, and the United Steel Workers of America (on behalf of Locals Nos. 1278, 2180, and 2443), dated June 1, 1943.

Section 1. The word "employee" is defined to apply to only "hourly rated" employees. The Panel does not presume to offer an authoritative interpretation of the application to foremen of the seniority provision of the agreement between the Baldwin Locomotive Works and the United Steelworkers. Apparently foremen who had seniority standing as a rank and file employee on June 1, 1942, would continue to accumulate seniority as foremen unless his right to seniority was broken for one of the reasons specified in the agreement.

Section 7. It is mutually agreed between the Company and the Union that present seniority lists, compiled as of June 1, 1942 for the Southwark Division, and as of June 1, 1942 for the Locomotive and Foundries Divisions shall remain in effect and that all employees included on these lists shall retain such accumulated seniority up to and including the above respective dates as of which they were compiled for each shop in each Division, an employee of continuous service in any shop of the Division shall be broken so that no prior period or periods of employment shall be counted and his right to seniority in such Division shall cease upon:

- a. justifiable discharge;
- b. voluntary quitting;
- c. leave of absence for a period of more than six (6) months;
- d. failure of an employee to return to work upon recall within five (5) days after written notice is sent to him by the Company at his last known address appearing on its records (a copy of which shall be furnished the Secretary of the Local Union in the shop of the Division in which such employee was employed), unless excused by the Company by reason of illness or other reasonable cause; and
- e. absence due either to lay-off, disability or any other reason which continues for more than two (2) years, except that absence due entirely to compensable injury received in the course of an employee's employment by the Company shall not, to the extent of the period for which statutory compensation is payable, be included in the computation of said two year period.

When an employee whose continuous service has been broken by any of the above causes is again hired, he shall begin as a new employee in the shop of the Division in which he is rehired and his seniority therein shall be calculated from the date of such rehiring.

Briggs Manufacturing Company

Agreement between Briggs Manufacturing Company and Local 742, United Automobile Workers, dated December 30, 1943.

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Article 4, Section 1. Seniority shall be accumulative from the first date of employment, subject to the conditions set forth in Section 8 of this Article.

Section 4. Employees transferred to a different code will immediately carry their full seniority on the new occupation.

Section 7. (a) Employees who are classified by the Management as indispensable for starting or maintaining a proper flow of production or for preparing tools, plant or equipment, or for similar reasons, will be retained or recalled without date of demotion.

(b) Foremen demoted because of lack of work will not be retained on the indispensable list for more than one year from date of demotion.

Section 8. Seniority rights shall be forfeited if an employee is absent over eighteen (18) months, quits of his own accord, or is discharged or refuses to return to work when called. Notice of the call to return to work shall be by mail, telegram or newspaper advertisement. If, however, circumstances make it impossible for an employee to immediately return to work, he may ask the Employment Office for a leave of absence, subject to leave of absence rules, which will keep his seniority intact. Employees who have previously worked for the Company will be hired before new employees are hired.

Chrysler Corporation

Agreement between Chrysler Corporation and United Automobile Workers, dated September 10, 1943.

Section 27. If an hourly rated employee is promoted to assistant foreman, foreman or to any other supervisory position, and is thereafter transferred to an hourly rated employee, he shall accumulate seniority while working in the supervisory position and when so transferred shall commence work as an hourly-rated employee with the seniority ranking he had at the time of his promotion, plus the seniority accumulated while he was working in the supervisory position.

Gar Wood Industries

Contract with Local No. 250, United Automobile Workers.

Article III. Section 1.

... "When an employee is transferred to an upper classification, said employee's seniority shall be as of date of transfer; said employee shall have accumulated seniority in the lower classification."

Hudson Motor Car Company

Agreement between Hudson Motor Car Company and United Automobile Workers Union, dated December 10, 1943.

Article V. (1) "Seniority shall be forfeited if an employee quits of his own accord, is discharged, or fails or refuses to return to work when called." "Seniority shall be forfeited if an employee is absent three (3) consecutive working days without notice unless satisfactory explanation is given." . . .

(n) The fact of having been a Foreman or Assistant Foreman does not establish priority seniority over other employees. All salaried employees without previous hourly rate record will start on hourly rate classifications without seniority.

Maryland Drydock Company

Agreement between Maryland Drydock and Local 31 of Industrial Union of Marine and Shipbuilding Workers of America, dated June 24, 1943.

VI. (b) Service record lists, prepared in accordance with the agreement of February 21, 1939, shall be maintained and shall be posted in all departments. (1939 agreement not available.)

d) Employees shall lose all seniority rights if:

1. they terminate their service voluntarily.
2. they are discharged for proper and sufficient reason.
3. they do not report for work when notified unless within three (3) days they present a reasonable excuse. (The reasonableness of the excuse shall be determined in the first instance by the Personnel Manager, but any employee shall have the right to protest loss of seniority through the prescribed grievance procedure.)
4. they do not work for the Company for two (2) consecutive months, unless leave of absence is granted, or unless absence is due to illness or injury, in which case fifteen (15) months' absence shall be necessary to cause loss of seniority, provided that when Congress determines that the state of war presently existing no longer exists, the period for loss of seniority (other than for illness or injury) shall automatically be increased from two (2) to four (4) months.

(e) An employee on a service record list in once classification, when permanently transferred, either at the Company's or the employee's request, or when promoted to another classification, shall carry one-half of his seniority from his old classification to his new classification; provided that his seniority in the new classification shall be less than employees of four (4) years' seniority.

The Murray Corporation

Article VIII, Section 2:

All Star Badge Employees outrank all other employees.

Foremen reduced to workers during reductions in force shall retain their seniority status as Star Badge Employees in their Departments for a period of three (3) months. Employees promoted to Star Badge Employees shall not attain full seniority rights of Star Badge Employees for the first three (3) months.

New York Shipbuilding Corporation

Agreement between the New York Shipbuilding Corporation and Industrial Union of Marine and Shipbuilding Workers of America, Local No. 1, dated June 23, 1943.

Article 8. (1) The seniority standing of all employees who have worked for the Corporation at any time since August 29, 1935, shall be determined by total length of service with the Corporation at any time calculated as hereinafter provided, and by their skill and ability. Whenever skill and ability are fairly equal, length of service shall be the determining factor, . . .

(2) Length of service of a skilled man in any craft or classification within such craft in a department in which he has worked, shall be calculated in years and months of time worked by him as a semi-skilled or skilled man

(3) Length of service of a semi-skilled man in any craft or classification within such craft in a department in which he has worked shall be calculated in years and months of time worked by him as a semi-skilled man in that craft in that department.

(4) Length of service of an unskilled man in each craft or department in which he has worked, shall be calculated in years and months of time worked by him as an unskilled man in that craft or department.

(5) An employee who, on and after October 3, 1938, has been discharged, or has quit when needed, or who, due to lay-off for lack of work has been absent from the Corporation's employment for a period exceeding two years shall lose his seniority standing; when reemployed his length of service shall be calculated from the date of his reemployment.

Packard Motor Car Company

Agreement between Packard Motor Car Company and United Automobile Workers, dated October 7, 1942.

Article III. Section 5. Employees' seniority shall be computed from the original date of hiring and will be lost only for the following reasons:

a. When discharged from cause.

- b. Voluntary resignation.
- c. When failing to return to work when notified by registered mail or telegram within five (5) days from date of call.
- d. Employees who are absent from work for more than three (3) days without proper notification to the Company.
- e. Employees who have been laid off more than twelve (12) months.

Section 21. Foremen or assistant foremen who are demoted and placed on an hourly basis shall resume their seniority with the Company on the same basis as any other employee, providing they formerly worked on that occupation and were promoted to foremanship at the Packard Motor Car Company.

Employees who have been advanced to supervision and who are found unsatisfactory as such will be returned to production.

Republic Steel Corporation

Agreement between the Republic Steel Corporation and the United Steelworkers of America, dated August 11, 1942.

Section 8. Class A.

- 1. Each present Employee shall, as of the date of this Agreement, have such continuous service record as is shown on the employment records of the Company for such Employer, and he shall accumulate additional continuous service until his continuous service record shall be broken, in which event, his continuous service record shall end and be cancelled
- 3. The continuous service record of any Employee shall be broken by:
 - a. Voluntarily quitting the service;
 - b. Discharge from the service;
 - c. Absence due to termination or suspension, either of which continues for more than six months, or
 - d. Absence due either to layoff or to disability, or both, which continues for more than two years, provided however, that the continuous service record of any Employee injured while on duty shall not be broken during the period for which he is unemployed and for which workmen's compensation is payable to him.

AMERICAN MANAGEMENT ASSOCIATION
Incorporated



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U. S. National war labor board.

Mimeographed report and findings
of the panel in certain disputes
involving foremen.

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